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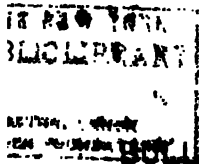
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BULLETIN OF THE UNIVERSITY OF WISCONSIN

NO. 242

ECONOMICS AND POLITICAL SCIENCE SERIES, VOL. 4, No. 2, PP. 137-314

A FINANCIAL AND ADMINISTRATIVE HISTORY
OF MILWAUKEE

BY

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*Published bi-monthly by authority of law with the approval of the Regents
of the University and entered as second-class matter at the
post office at Madison, Wisconsin*

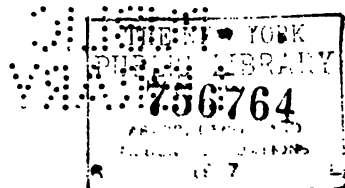
MADISON, WISCONSIN

JUNE, 1908

PRICE, 50 CENTS

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PREFACE

This study was undertaken three years ago at the suggestion of Professor Henry B. Gardner of Brown University. The original intention was to limit the investigation to the subject of municipal finance; but it was soon found that some study of administrative methods and changes would have to be included. As the materials available at the time did not extend beyond the fiscal year 1904, the study closes with that year, though in a few instances important administrative changes of a later date have been noted. The work was done under the direction of Professor Gardner, and to him first of all I wish to extend my thanks for assistance and encouragement. My thanks are also due Mr. Paul Bechtner, city comptroller, Milwaukee, and Mr. Carroll G. Pearse, superintendent of the Milwaukee schools, for courtesies shown and information given. Further I wish to express my appreciation of the many courtesies and privileges extended by the staff of the Milwaukee Public Library where nearly all the materials used were collected. I am also greatly indebted to the assistance of my wife, Lillian May Larson, who has helped in the preparation of every part and page, especially in the matter of research.

Acknowledgment is made of assistance received from the Carnegie Institution in the preparation of this volume.

LAURENCE M. LARSON.

Champaign, Ill., March 31, 1908.

A FINANCIAL AND ADMINISTRATIVE HISTORY OF MILWAUKEE

CHAPTER I

THE VILLAGE OF MILWAUKEE, 1834-1845

A. SETTLEMENT AND ORGANIZATION

In the year 1833 the country about Milwaukee bay was still a wilderness. The American Fur Company had a trading post on the Milwaukee river, but as yet no one had attempted to settle the region. The trading-post was not a recent establishment: for nearly fifty years the red man had disposed of his surplus at this point. Traders had come and gone, but no one seems to have taken up a permanent abode in the Milwaukee country before 1818. In that year Solomon Juneau came to take charge of the fur trade and for the next fifteen years the log cabin of the Juneau family was the only evidence about the bay of an approaching civilization.¹ But in 1833 the "solitude was broken by a band of home seekers headed by Albert Fowler,"² though no real settlement was founded before the next year. In 1834, the population of Milwaukee numbered about thirty;³ the next year a great interest was shown in Juneau's trading-post. A number of immigrants came and the wilderness began to give way to civilization. Still greater advancement came with 1836, more progress being shown in "that year than

¹ Buck, *Milwaukee*, 1: 10, 16.

² Campbell; *Wisconsin in Three Centuries*, 4: 39-40.

³ McLeod, *History of Wisconsin*, 116.

in the two previous and four subsequent ones."⁴ "Some sixty buildings were erected, many of them of goodly dimensions; streets were graded; ferries established; officers of the law appointed; medical and agricultural societies formed; a court house and jail erected; and all in five short months."⁵

The pioneers who came to Milwaukee bay seventy years ago were immediately convinced that a large city would grow up here. Many even thought that most of the commerce of the region west and south of Lake Michigan would eventually center at this point. For a number of years it was a matter of speculation as to whether Chicago would ever become a dangerous rival; and had it not been for the influence of the railway the final outcome in the race for local supremacy might have been somewhat different. It was felt in those early days that Milwaukee had greater possibilities in the way of a harbor than any other city on the lake. No great importance was attached to the bay—it is hardly more than a westward curve in the shore line—but the rivers were full of promise. Of these the larger is Milwaukee river, a small stream less than a hundred miles in length, which at that time emptied into the bay a short distance below the point where the shore begins to curve southeastward. For several miles of its lower course it flows almost parallel to the lake shore, in places approaching it very near.⁶ Within the limits of the present city the stream is about two hundred fifty feet wide and of considerable depth.⁷ McLeod, who wrote a history of Wisconsin in 1846, states that it was then from fifteen to eighteen feet deep and navigable for three miles for the largest vessels on the lake; however, the winds and the waves had built up a sand bar at the river-mouth which virtually closed the stream to all but the smaller crafts.⁸

About a mile and a quarter from its mouth, the Milwaukee is joined by a stream from the west, the Menomonee.⁹ These two rivers divide the region into three distinct sections: a narrow

⁴ Buck, *Milwaukee*, 1:105.

⁵ *Ibid.*, 35.

⁶ See map I.

⁷ Conard, *Milwaukee*, 1:9.

⁸ McLeod, *History of Wisconsin*, 119.

⁹ A smaller stream, the Kinnickinnic, enters the Milwaukee very near its original outlet.

strip lying between the Milwaukee river and Lake Michigan, known as the East Side; the territory lying to the west of this river and north of the Menomonee, commonly called the West Side; and the country lying south of the Menomonee Valley, or the South Side. Seventy years ago this division into sections was further emphasized by broad belts of marsh land that edged the rivers for several miles along their lower courses. It is readily seen that a settlement established on Milwaukee bay would be likely to take on a sectional character.

At a public meeting held December 12, 1835, it was determined to ask the legislative council of Michigan for an act incorporating the settlement as a village.¹⁰ The next year, however, the territory of Wisconsin was organized, and the citizens of Milwaukee addressed a similar request to the new government at Belmont.¹¹ It was desired that a town be organized which was to be divided into three wards, corresponding to the three "sides." The request was refused, but a general act was passed providing for the organization of villages, with the important proviso, however, that the territorial extent of a village should not exceed two square miles.¹²

Whether the act requested was generally desired may well be doubted. Milwaukee was at this time a group of three small villages rather than one community. On the east side of the Milwaukee river the settlement clustered around Solomon Juneau's old trading post and was commonly known as "Juneau's Side." Across the river west was "Kilbourntown," named in honor of Byron Kilbourn, who had first begun a settlement there. South of the Menomonee river, Col. George H. Walker was the resident chief, and this part of the settlement was known as "Walker's Point."¹³ From the beginning intense hostility seems to have existed between these sections. Under the new law, elections were held February, 1837, and two towns were organized: Juneau's Side as the Town of Milwaukee, and Kilbourntown as the Town of Milwaukee on the

¹⁰ Buck, *Milwaukee*, 2: 23.

¹¹ *Milwaukee Advertiser*, Dec. 24, 1836; Buck, *Milwaukee*, 1: 108-9.

¹² Conard, *Milwaukee*, 1: 48.

¹³ Buck, *Milwaukee*, 1: 53.

West Side of the River.¹⁴ Organization at Walker's Point was not possible, as the squatters had not yet been able to come into undisputed possession of their claims.¹⁵

The hostility that existed between the two towns died down somewhat in 1838; that year Messrs. Juneau and Kilbourn joined in a memorial to the legislature asking for the consolidation of the villages into a Town of Milwaukee, which was to be divided, however, into an East and a West Ward.¹⁶ This was granted and the first election for the new Town of Milwaukee was held May 1, 1839.¹⁷

Under the act of December 6, 1836, the citizens elected five trustees for one year; these again chose a president from their own number. They also elected a treasurer. The new law (1839) provided for five trustees from each of the two wards. These ten, as before, chose a president from their own number and appointed a clerk, a treasurer, and a marshal. Sectional independence was secured as far as possible; taxes were to be spent in the ward in which they were levied, except such a part as would be needed to defray common ward expenses. The powers of the trustees were somewhat larger than under the earlier act. By a law of February 15, 1845, they were further extended and the limits of the town were enlarged by the addition of Walker's Point as a South Ward.¹⁸

B. REVENUES AND EXPENDITURES

The municipal needs of early Milwaukee were in a great measure the same as those of any new settlement. There were schools to provide, streets to build, and some sort of fire protection to arrange for; before many years the rivers would have to be bridged, while the harbor was in need of immediate improvements. For some time, however, little was done to supply any of these needs. The law of 1836 under which the two towns were incorporated empowered the trustees to levy an an-

¹⁴ Buck, *Milwaukee*, 1: 110-11.

¹⁵ *Ibid.*, 112.

¹⁶ *Ibid.*, 143-4.

¹⁷ *Laws of Wis. (Local)*, 1838-39, No. 53.

¹⁸ *Laws of Wis.*, 1845, 41-3.

nual tax not to exceed fifty cents on every hundred dollars in the case of real estate and half as much on the same amount of personal property. It is readily seen that in a new country where land was yet cheap¹⁹ great municipal revenues could not be raised at that rate. And yet, it was the duty of the trustees to keep in repair streets, alleys, and roads to the distance of one mile from the center of the town. They might also pass ordinances, but the fines for violating these were extremely low—from twenty-five cents to ten dollars. The trustees seem to have used their authority freely. They levied all the taxes permitted,²⁰ and passed ordinance after ordinance providing for all manner of improvements, but apparently very little was done.²¹

To provide the needed revenues a loan was next planned. An act approved January 3, 1838, authorized the people of the two towns to borrow money for streets and other improvements. The interest was not to exceed ten per cent. and a sinking fund was provided for.²² September 15 of the same year, the trustees of the East Side town took advantage of this law, and proposed a loan of \$15,000 "for public uses." The people unanimously accepted this.²³

In many respects the village charter of 1839 was an improvement. The maximum tax on real estate was now fixed at 10 mills, as against 5 mills earlier. The maximum fine for violating an ordinance was placed at fifty dollars. Permission was given to levy special taxes for street improvements when two-thirds of the residents or owners of property on the street to be improved should request it. These taxes were to be paid by the owners of the lots benefited, benefits (or damages) to be determined by a jury of twelve freeholders.²⁴ Loans were au-

¹⁹ After the "boom" of 1836 came the "panic of 1837" and land values in Milwaukee sank to a fraction of what they had been the year before. See Conard, *Milwaukee*, 1: 37 ff.

²⁰ Twenty cents on every hundred dollars was the levy in the West Side town. See Buck, *Milwaukee*, 1: 144.

²¹ *Ibid.*, 1: 115.

²² *Ibid.*, 1: 144.

²³ *Ibid.* Eighty votes were cast.

²⁴ Later the number was reduced to three. *Laws of Wis.*, 1841-42, 34 ff. At the same time the limit of special assessments was placed at ten per cent. of the cash value of the real estate to be taxed.

thorized at the old maximum rate of ten per cent., but no limit was placed to the amount that the corporation might borrow. The charter contained a number of other even more vicious provisions: especially were the sections that provided for ward autonomy likely to prove dangerous. No tax was to be levied in either ward without the concurrence of three trustees of the ward concerned. Similarly, no ordinance affecting one ward only could be passed without the affirmative vote of three trustees representing that ward. Loans of a general interest had to be favored by at least three trustees from each ward, and, furthermore, had to be accepted by a majority of the voters in each separate ward; if one ward should object, the loan would fail. Special loans might be authorized in the name of the town if favored by three trustees and a majority of the voters of the ward concerned, but the property of that ward only could be pledged in payment. Thus ward debts could be created for which the city as a whole would not be responsible. With the old town debts the new village had nothing whatever to do: they were continued as ward debts. Later this sectional independence was extended to other subjects. In 1841 the president and trustees were authorized to appoint a marshal for each ward.²⁵

A complete statement of the annual revenues of the village of Milwaukee can not be given. If the early town records were preserved at all, they probably perished in the fires of 1850 and 1860 when the buildings serving the purposes of council chamber and city hall were destroyed and a large part of the public records was lost.²⁶ There is, however, a brief summary of the finances of the East Ward for the years 1837 to 1844 inclusive,²⁷ which is of great interest and value, especially when we remember that in those years three-fourths of the population of the village lived in that ward.²⁸ From this statement we learn that

²⁵ A trace of this early ward autonomy is seen in the so-called "local committee" composed of the two aldermen from each ward. This committee has extensive powers in the matter of street improvements, though these are a matter of legislative courtesy rather than of delegated authority.

²⁶ In 1850 the council had its rooms over a stable! At the time the city had a population of 20,061.

²⁷ Buck, *Milwaukee*, 2: 232. Report of an investigating committee.

²⁸ In September, 1843, the population of the East Ward was 3,777; of the West Ward, 1,864. *Ibid.*, 178. Earlier the difference was still greater.

in 1837 the Town of Milwaukee (East Side) levied a tax of \$6,793.44. The next year the levy was only about one-fifth as large. For the following five years the average amount levied was very near what it was in 1838, *i. e.*, \$1,300. In 1844 the tax was a little more than \$3,000. In addition to the regular tax, the village collected \$2,461.71 as special assessments on lots benefited by street improvements, and \$1,387.50 from licenses.²⁰ The total revenues for the eight years amounted to \$21,575.09.²⁰

With such a limited income much could not be accomplished in the way of improvements. What was accomplished was largely the result of private enterprise. The earliest bridges, schools, streets, and roads were built by public-spirited citizens with private funds. The county government also assisted to some extent. Fortunately, the machinery of government was not expensive. No official had a fixed salary; the president and the other trustees received no compensation;²¹ and such officers as the clerk, the treasurer, and the marshal were paid in fees for actual service rendered. In 1841 these amounted to less than \$400; next year the sum was somewhat larger, but in 1843 the administrative expenses were not much heavier than they had been two years earlier. As the taxes for 1844 were double those of 1843, we should expect an increase in general expendi-

²⁰ The license laws began to be applied in 1841. See *ibid.*, 107.

²¹ *Ibid.*, 232. The items are as follows:

Tax levied in	
1837	\$6,793 44
1838	1,346 02
1839	1,567 98
1840	1,332 63
1841	1,049 90
1842	1,023 70
1843	1,525 80
1844	3,086 41
Special tax on Lot 1, Sec. 33.....	1,200 00
Special tax on property benefited by construction of Water	
st	1,261 71
Amount received from license fees.....	1,387 50
	\$21,575 09

²¹ Unless granted by a majority vote of the electors. *Laws of Wis. (Local)*, 1838-39, No. 53, sec. 23.

tures in the way of fees;³² such is also the case, the amount for that year reaching a total of \$1,031.48.³³

The largest item of expense in those years was for street improvement. East Water street, lying on a comparatively high and dry strip of ground on the east bank of the Milwaukee river, appears to have received the first serious attention. On this street, Solomon Juneau and Morgan L. Martin are said to have spent \$4,500 during the years 1836-1840.³⁴ During the next three years, the East Ward spent only about \$1,000 in street improvements.³⁵ But, in addition to this decidedly modest sum, the ward could also dispose of considerable revenues in the way of labor. By an act of January 11, 1840, every male resident was required to work on the streets two days every year.³⁶ In lieu of work, payment might be made, one dollar being counted equivalent to a day's work. As Milwaukee in 1843 must have contained more than a thousand residents who could be called on for street work, this tax was a matter of some importance. The need of good streets came to be realized more every year. In April, 1842, an ordinance was passed placing the street work in the hands of three commissioners, one for the East and two for the West Ward.³⁷ A month later the city decided to appoint a city engineer.³⁸ Before the close of the year eight new streets were established, all but one on the East Side.³⁹ In 1844 the village undertook the important task of building a street from East Water street to the lake shore;⁴⁰

³² Due no doubt in both cases to renewed growth of wealth and population.

³³ Fees of marshal, clerk, attorney, treasurer, and assessors and other miscellaneous expenses during..

	1841	1842	1843	1844
\$332 12	\$568 06	\$374 34	\$1,031 48	
Amount paid for grading, street repairs, etc.....	464 70	233 18	2,289 86	4,669 95
Amount paid for fire protection....			677 63	27 50
Public health account.....			835 61	40 98

Buck, *Milwaukee*, 2: 233.

³⁴ McLeod, *Wisconsin*, 118. These two gentlemen also donated the first court house and jail built at a cost of more than \$5,000. Buck, *Milwaukee*, 2: 52-4.

³⁵ See note 33 above.

³⁶ *Laws of Wis.*, 1839-40, No. 25.

³⁷ *Courier*, May 11, 1842.

³⁸ *Ibid.*, June 8, 1842.

³⁹ *Ibid.*, Jan. 4, 1843.

⁴⁰ The present Erie Street; it follows the river to the present harbor. The building of this street was doubtless part of the plan to locate the harbor entrance at that point.

the East Ward spent \$3,086.41 for this purpose in that year, a large part of the sum being raised by special assessments.

Street improvement was a matter that could conveniently be left to each separate ward, but bridges could not very well be built and maintained in that way. A bridge was therefore a menace to ward independence. From the very beginning Milwaukee was sorely in need of bridges; but strange enough, the need was not understood. No doubt the citizens of the East Side realized somewhat vaguely that means of communication with the vast region to the west must be provided; but the thought of having to spend money for such a purpose was very unpleasant. Mr. Kilbourn wanted no bridges over the Milwaukee, he would do nothing to strengthen Juneau's Side. He did, however, see the utility in a bridge over the Menomonee, and built one himself, the first one built in Milwaukee.⁴¹ The Chicago road terminated at Walker's Point which connected with the east side by means of a ferry. But after the building of the new bridge the traffic of the road was naturally diverted to Kilbourntown, and the East Siders liked it ill. At the same time they began to see clearly that the Milwaukee river must be bridged.

At first it was thought that funds for this purpose might be raised by popular subscription and legislation looking to that end was secured;⁴² but the funds were not obtained. Nor did an act providing for a bridge to be built by the two towns produce any results.⁴³ Authority was next conferred on the county commissioners,⁴⁴ and finally, in 1840, the river was spanned in front of Mr. Kilbourn's residence on Chestnut street after great opposition from citizens on both sides of the river.⁴⁵

Two more bridges were built during the village period,⁴⁶ but both were private undertakings; by the village as a corporation

⁴¹ Conard, *Milwaukee*, 1:40-1.

⁴² *Laws of Wis.*, 1836, No. 18.

⁴³ Each of the two towns was to pay half. *Ibid.* (*Local*), 1838-39, No. 10.

⁴⁴ The East Side was to grade the approach (marsh-land east of lower Chestnut st.) and provide an attendant. *Ibid.*, 1839-40, No. 5.

⁴⁵ Buck, *Milwaukee*, 1:187.

⁴⁶ One between Oneida and Wells streets and one between Wisconsin and Spring (Grand Avenue) streets. There was also one built at the foot of East Water street. *Ibid.*, 187-8, 192.

none was built. The expense of maintaining these fell almost exclusively, it seems, on the East Ward. This fact caused a great deal of hostile feeling which culminated in the "Bridge War" of 1845, a series of riots in which all the bridges connecting the two wards were rendered useless.⁴⁷ The trouble was finally settled the next year by a legislative act which determined not only how bridges were to be provided and maintained, but also where they were to be located.⁴⁸

On one subject, at least, the warring sections were in agreement: all united in demanding an improved harbor. Meetings were held as early as 1837 to discuss this subject;⁴⁹ but not till twenty years later could Milwaukee boast a good harbor. Two important questions soon arose and complicated the problem: where should the harbor be located, and who should pay for the work? The citizens of Milwaukee naturally felt that harbor improvement was properly an undertaking for the federal government, but the influence of General Jackson was still dominant in Washington and not much could be expected from that source. When Congress finally decided to take up the work, the sum appropriated was wholly inadequate to the demands of the situation.

About three-eighths of a mile north of the point where the Milwaukee river emptied into the lake seventy years ago, the distance between the stream and the lake was only about three hundred feet.⁵⁰ It was soon urged that a canal at this point would furnish an excellent harbor entrance. The suggestion did not appeal, however, to the dwellers of the South Side; a harbor at "Straight Cut" would deprive them of certain evident advantages; they believed in improving the natural outlet. On the other "sides," particularly on the West Side, sentiment was strong for a new outlet. In 1839, the inhabitants of Kilbourntown secured a legislative act which permitted "the trustees to use moneys for whatever improvements the majority of the voters may vote for;" it also allowed them "to do what

⁴⁷ For an extended account of these troubles, see *Milwaukee* (1881), ch. xvi. The bridge across the Menomonee was also demolished.

⁴⁸ See next chapter.

⁴⁹ The agitation really began in 1835.

⁵⁰ Conard, *Milwaukee*, 1: 9.

seems expedient to secure communication with the lake."⁵¹ But this curious law did not do much to settle the difficulty. In 1841 it was hoped that the federal government could be induced to undertake the work, but again Milwaukee was disappointed.⁵² In 1842 and again in 1843, Congress did make appropriations;⁵³ the work was begun, but, contrary to the wishes of those most interested in the project, Captain Cram, the engineer in charge, decided to spend the money at the natural outlet.

The citizens were naturally much pleased with the action taken by the government; but many felt that the decision of the engineer rendered the appropriation almost valueless. It began to be believed that if Milwaukee was to have an adequate harbor the city itself would have to construct it.⁵⁴ Some time in June, 1843, Mr. Kilbourn determined to do what seemed expedient and sent a gang of men one night to cut a channel through the Straight Cut.⁵⁵ But a harbor could not be constructed so easily and the attempt failed. Mr. Kilbourn, however, was not discouraged: on July 17, the citizens of the West Ward voted on a proposition to borrow money for building piers at the new cut.⁵⁶ The vote was favorable to the venture, but the money could not be obtained. Next January the legislature authorized the village to borrow \$15,000 for ten years at a rate of ten per cent. to be used for harbor purposes at Straight Cut.⁵⁷ The act also provided for a special tax to discharge the interest on the loan and ordered that the loan itself should be divided between the two wards. In April a vote was again taken, and the project was once more endorsed by a large majority;⁵⁸ but results soon began to appear at the river mouth where the federal government was at work, and the matter was allowed to rest for some years.

⁵¹ *Laws of Wis.*, 1838-39, No. 27.

⁵² See *Courier*, Sept. 7, Oct. 19, Dec. 7, 1842.

⁵³ \$30,000. See *ibid.*, Mar. 22, 1843.

⁵⁴ A writer in the *Courier*, May 18, 1842, suggests a county tax for harbor purposes as Congress is not to be relied on.

⁵⁵ Buck, *Milwaukee*, 2: 152.

⁵⁶ *Courier*, July 19, 1843. The amount of the loan was to be \$15,000. See *Milwaukee* (1881), 448.

⁵⁷ *Laws of Wis.*, 1843, 42.

⁵⁸ *Milwaukee* (1881), 449.

During the first decade of its existence the Milwaukee settlement was almost exclusively a native American community. The early pioneers (at least the greater number of them) either came directly from New England or belonged to that stream of migrating New Englanders that was coming westward through central New York.⁵⁹ We should be justified in assuming, it seems, that such a population would make early and generous provisions for the education of the young. Such was, however, not the case. Schools were established in Milwaukee as early as 1835;⁶⁰ but they were private establishments and merely temporary in their nature. In 1836 the first public school in the village was founded under the laws of Michigan, and for the next four years this little school in the West Ward was the only public school in Milwaukee.⁶¹

According to the Michigan school law enacted in 1827 every town having more than fifty families should support a public school.⁶² Later the limit was fixed at twenty families.⁶³ During the legislative session of 1838-1839 the Territory of Wisconsin passed a general school law according to which every town containing ten families should constitute a school district; if more than ten families were counted, two districts were to be formed. Taxes for the support of the schools established were to be collected by the county authorities. It seems that real estate alone was to be taxed for school purposes.⁶⁴ The same year an act was passed forming the town on the west side of the Milwaukee river into a school district. The trustees were placed in charge of the schools and were authorized to levy a 5-mill tax for their support. This tax, it appears, could be levied on all forms of property.⁶⁵ I do not find, however, that any use was ever made of this authority. A few weeks later the West Side was joined

⁵⁹ For a discussion of the elements of population in early Wisconsin, see *Wisconsin in Three Centuries* (H. C. Campbell, Editor).

⁶⁰ Conard, *Milwaukee*, 1: 127; *Milwaukee (1881)*, 516.

⁶¹ Conard, *Milwaukee*, 1: 128.

⁶² Buck, *Milwaukee*, 2: 308-10.

⁶³ Conard, *Milwaukee*, 1: 128. Buck (*Milwaukee*, 2: 308) is evidently in error when he ascribes this change to Wisconsin legislation.

⁶⁴ *Laws of Wis.*, 1839, 137. This seems to be the earliest school law in the territory; the maximum school tax was 2½ mills.

⁶⁵ *Ibid.* (*Local*), No. 30. Act of Feb. 21, 1839.

to Juneau's Town of Milwaukee, and a new arrangement was no doubt thought necessary.

In 1840 a new school law was enacted. The taxes were still to be levied by the county commissioners, and the proceeds were to be apportioned among the districts by the same body. The rate remained the same as before, $2\frac{1}{2}$ mills, but personal property was no longer to be exempt from this taxation.⁶⁶ In addition to the revenues thus provided, there were the proceeds from the school lands; but these can hardly have yielded much at this early date. The revenues were evidently not found adequate, for in 1845 the legislature by special enactment permitted the voters of one of the Milwaukee districts to levy a 10 mill tax for school house purposes, if two-thirds of the voters present at an election called for that purpose should vote in the affirmative.⁶⁷ No advantage seems to have been taken of this law.

Meanwhile the settlement was growing rapidly, and the need of a school system separate from that of the county was beginning to be keenly felt. As usual, the agitation culminated in a mass-meeting held in December, 1845. On December 12 a committee reported to this meeting that there were, in the three wards, 1,781 children between the ages of five and sixteen years. Thirteen schools were in operation within the limits of the town, but of these only four were public schools. The total attendance at the public schools was only 356. For the remaining 1,400 the town had provided no accommodations. There was a good school house on the South Side, "a small-sized and inconvenient" school house on the West Side, while the East Side, the oldest and strongest part of the town, had no public school building at all. "There are but two public school houses, one of them hardly deserving the name."⁶⁸ The agitation bore fruit: with the charter that was adopted only two months later came a new system of schools.

During the village period, anything like a police department did not exist in Milwaukee. The city marshal served as the peace officer of the town, and whenever the situation became too

⁶⁶ *Laws of Wis.*, 1839-40, No. 57; Act of Jan. 13, 1840.

⁶⁷ *Ibid.*, 1845, 77. I find no record of any such election.

⁶⁸ Conard, *Milwaukee*, 1:128; *Sentinel*, Dec., 1845.

complex for this lone official, the county authorities were called on for assistance. An organized health department was also wanting. Some money was spent, however, in the interest of the public health. We find that in 1843 the East Ward during a small-pox epidemic paid out \$835.61 to check the disease; the next year the ward spent only \$40.98 for purposes of sanitation.⁶⁹ Far greater interest was shown in the subject of fire protection.⁷⁰ A hook and ladder company was organized as early as 1837; a second company was formed in 1840, and a third in 1844.⁷¹ These companies were entirely voluntary; no wages were paid, but the firemen enjoyed certain privileges which were, however, hardly of a character to stimulate enlistment to any great extent. By the village charter of 1839, the members of the fire companies were exempted from militia duty and after twelve years from jury duty. The companies were organized by the president and trustees, but were entirely self-governing and remained so for several years. Each company could contain from sixteen to twenty-four men, none of whom could be younger than eighteen years or older than fifty.⁷² The necessary apparatus was furnished by the wards. In 1843, the East Ward spent \$677.63 for such apparatus and for housing the same. The next year only \$27.50 was charged to this account.⁷³ The trustees also appointed fire wardens with duties mainly of a precautionary character.⁷⁴ The citizens apparently did not consider their fire-department very efficient, but they were unwilling to spend the necessary funds to improve it.⁷⁵

When the year 1845 came to a close, the settlement on the Milwaukee river was twelve years old. During these years great progress had been made: a city of ten thousand people had

⁶⁹ Buck, *Milwaukee*, 2: 233.

⁷⁰ *Milwaukee* (1831), 347.

⁷¹ *Ibid.*; see also Buck, *Milwaukee*, 1: 188.

⁷² *Laws of Wis. (Local)*, 1838-39, No. 53.

⁷³ Buck, *Milwaukee*, 2: 233.

⁷⁴ See *Courier*, Jan. 11, 1843.

⁷⁵ In January, 1843, a meeting was held in which it was suggested that night watchmen be employed and paid by private subscription. (*Ibid.*, Jan. 11, 1843.) A little later the East Ward received permission from the legislature to increase its engine company to forty-five men. (*Sentinel*, Apr. 26, 1843.) The matter of fire protection was again discussed in a public meeting, Dec. 3, 1845. (Buck, *Milwaukee*, 2: 249.)

grown up where stood a solitary log cabin only a few years before. But Milwaukee in 1845 was anything but an ideal municipality. The population was scattered over three separate areas, each of which was practically self-governing. There was no police department, and no organized effort had been made to protect and preserve the public health. The fire department was a crude affair. The wards had provided something in the way of apparatus for fighting fires, but the municipality seems to have owned nothing. The school facilities were miserable. The streets were generally unimproved. Thus far the village had built no bridges. The federal government had done something to improve the harbor, but the sand bar was again forming at the river mouth. As far as municipal activities were concerned, matters were at a standstill.

The citizens of Milwaukee can not be wholly blamed for this situation, nor can they be wholly excused. As a rule, pioneers are not wealthy; in a new country revenues from taxation are bound to be small; the shrinkage in land values that came with the panic of 1837 caused, of course, a corresponding shrinkage in the available taxes. The tax of 1838 was only about one-fifth of that of the preceding year. Moreover, the location was one that demanded vast expenditures. Where the downtown section is at present there was a marsh in those days. In such a locality small expenditures would make an exceedingly small impression. It is also true that the limitations of the village charter were such that the trustees could undertake no extensive improvements. But, after all, if the leading citizens had not been so utterly lacking in foresight,⁷⁶ and if sectional feeling had not been allowed to grow so strong and so arrogant, Milwaukee could have accomplished much more in those days than she did. It was admitted on all sides that the existing state of affairs could not long continue; but before a new policy could be initiated a different form of government had to be provided. The village wished to become a city and a new charter was requested.

⁷⁶ It is said that Byron Kilbourn, when he laid out the streets on his side of the river, took care that the streets should not meet those planned by Mr. Juneau on the east side.

CHAPTER II

MILWAUKEE UNDER THE CHARTER OF 1846: 1846-1851

A. THE NEW CHARTER

That Milwaukee in 1845 should demand a new form of government was not strange. The charter of 1839 was designed for a pioneer community of not more than 1,500 inhabitants. Had the population remained at that figure, it is not probable that any suggestion of immediate charter revision would have found much favor. But the stream of immigration flowed stronger each year: in 1843 there were 6,000 people in the settlement;¹ in 1846 nearly 10,000.² This influx of home builders called for the exercise of a variety of municipal functions for which no authority could be found in the law of 1839. Particularly urgent was the call for police protection and better sanitary regulations.³ In 1843 and 1844 there was much agitation looking toward a city charter. The question of expense was raised by the timid ones, but the consoling retort came back that a city could be governed as cheaply as a village of the same size.⁴ At a meeting held December 20, 1844, a committee was appointed to draft a suitable instrument. Evidently this committee at once proceeded to the task for its report was published in less than two weeks.⁵ It seems, however, that its proposals met with but slight favor, for at a meeting held January 19, 1845, the representatives of the village in the ter-

¹ Conard, *Milwaukee*, 1: 49.

² *Ibid.*; Buck, *Milwaukee*, 3: 93-4.

³ *Courier*, Nov. 29, 1843.

⁴ *Ibid.*

⁵ Buck, *Milwaukee*, 2: 225-26, 231.

ritorial legislature were instructed to oppose every form of charter legislation.⁶

A year later a charter was finally agreed upon. After having been adopted by the board of trustees and accepted by the electorate,⁷ it was enacted by the legislature and became a law on receiving the governor's approval, January 31, 1846. But the document was not enacted in exactly the form in which it was accepted at the referendum of January 5. The term of the aldermen was reduced from three years to one year, and an attempt was made to restrict alien influence by giving suffrage to such foreigners only as paid taxes, labored on the highways, or served as firemen.⁸ These changes were severely criticized in some quarters, but on the whole the law seems to have been received with satisfaction, except on the East Side where it was rejected by a decisive majority.⁹

The charter incorporated an area of nearly eight square miles, its boundaries corresponding to the following streets as named at present: North avenue and Walnut street on the north;¹⁰ Twenty-seventh street on the west; Greenfield avenue on the south; on the east the lake furnished the boundary.¹¹ This area was divided into five wards: the old East Ward made up the First and the Third Ward; on the West Side were the Second and the Fourth; Walker's Point became the Fifth Ward.¹² In population the First, Second, and Third wards were about equally strong, each counting between two thousand and three thousand people; the Fourth and Fifth were considerably

⁶ *Ibid.*, 231. Hostilities had again broken out between the wards—this was the year of the "Bridge War." The bridge question probably did more than anything else to delay action in this direction. See *Milwaukee (1831)*, ch. xvi.

⁷ *Sentinel*, March 6, 1846; Buck, *Milwaukee*, 2: 250-1.

⁸ It seems that the Whigs wished to make these conditions general, but the Democratic legislature made them apply to aliens only. See *Sentinel*, March 5, 1846.

	For the charter.	Against the charter.
* East ward	182	324
West ward	348	1
South ward	113	7

Gazette, Jan. 7, 1846.

¹⁰ The line ran a few feet north of Walnut st.

¹¹ See map II.

¹² *Ibid.*; *Charter of 1846*, sec. 2.

weaker, only about one thousand residents being found in each.¹³

The first city election was set for the first Tuesday in April¹⁴ on which date were to be chosen a mayor, a common council of three aldermen from each ward, and also a justice of the peace and a constable from each ward.¹⁵ All these officers were to serve for a year, except the justices whose terms were two years.¹⁶ Such officers as clerk, treasurer, attorney, assessor, chief engineer of the fire department, and the like were to be appointed by the common council.¹⁷ But the next year the council was deprived of nearly all its appointing power. By an amendment to the charter the treasurer, the attorney, the marshal, and the assessors were made elective officials.¹⁸ The same act also increased the number of assessors to three for each ward.

In addition to the usual executive functions, the mayor was given the important duty of presiding over the common council.¹⁹ In case of a tie he could vote; otherwise not. Each alderman was given one vote. The sessions of the council were made public.²⁰ In the absence of the mayor, the council would choose a temporary chairman who also acted as mayor during such absence.²¹ Later the council was required to elect a permanent presiding officer.²²

The *Gazette* in discussing the election of January 5, 1846, admitted that the document was defective, but its shortcomings the editor attributed to the "peculiar location of the city and the difficulty of legislating justly for a population coming from everywhere in six or seven years."²³ The writer evidently understood the situation. The fatal, though unavoidable, de-

¹³ Buck, *Milwaukee*, 3: 93-4. Population by wards: First, 2,845; Second, 2,291; Third, 2,218; Fourth, 1,059; Fifth, 1,095.

¹⁴ *Charter of 1846*, sec. 4.

¹⁵ *Ibid.*, sec. 8.

¹⁶ *Ibid.*, sec. 5.

¹⁷ *Ibid.*, sec. 21.

¹⁸ *Laws of Wis.*, 1847, 64-5: act of Feb. 4, 1847. This act also made the street inspectors elective officers. In 1849 the power of choosing the assessors reverted to the council.

¹⁹ *Charter of 1846*, sec. 9.

²⁰ *Ibid.*

²¹ *Ibid.*, sec. 12.

²² *Laws of Wis.*, 1849: act of Mar. 12, sec. 2. This is still the law in Milwaukee.

²³ *Gazette*, Jan. 7, 1846.

fect in the new charter was its failure to create a real municipality; the old plan of ward autonomy was continued. Each ward was made responsible for its old debts, or such as existed December 31, 1845.²⁴ This does not seem unreasonable, but the charter does not stop at debts already contracted; it supposes that the ward will continue to create debts. Ordinarily, loans for ward improvements made only those wards liable that benefited by such undertakings.²⁵ Loans for the general improvement of the city were to be paid by those wards only, a majority of whose aldermen voted for such loans.²⁶ In the charter amendments of 1849 ward independence was further emphasized by the provision that the city should not be sued for any debt contracted by or in behalf of any ward. Suit in such cases would have to be brought against the ward.²⁷

It is clear that such a system would in time develop into a government in which the local committees of aldermen rather than the council as a whole would be the controlling power, at least so far as the finances were concerned. The importance of the aldermanic office was further increased during the next few years by a series of special acts and charter amendments. These authorized the councilmen of various wards to levy special taxes for grading and graveling streets,²⁸ building wharves, and dredging the rivers;²⁹ to levy a general harbor tax;³⁰ to borrow money and issue ward bonds for street work,³¹ and for building market houses;³² and to provide in various ways for building sidewalks, sewers and the like.³³ As all such work was supervised by the aldermen, (who also, in a few years, were empowered to make contracts for the same), we can imagine what vast

²⁴ *Charter of 1846*, sec. 50.

²⁵ *Ibid.*, sec. 49.

²⁶ *Ibid.*

²⁷ *Laws of Wis.*, 1849, ch. 91, sec. 12.

²⁸ *Ibid.*, 1848, 264: special taxation in the Fifth Ward. *Ibid.*, 1850, ch. 280: special taxation in the Third Ward.

²⁹ *Ibid.*, 1849, ch. 80; *ibid.*, 1850, ch. 67: special taxation in Fifth and Fourth Wards. See also *ibid.*, 1851, ch. 157.

³⁰ *Ibid.*, 1884 (first session, June-Aug.), 174-6.

³¹ *Ibid.*, 1851, ch. 305: act authorizing aldermen of Second Ward to borrow money to extend Chestnut st.

³² *Ibid.*, 1849, ch. 155: act authorizing aldermen of First Ward to issue ward bonds to the amount of \$60,000 for market house purposes.

³³ *Ibid.*, 1851, chs. 269 and 305.

opportunities developed for the grafter and the ward politician.³⁴ The framers of the charter realized this danger and added a clause forbidding members of the council to be interested in contracts with the city;³⁵ but I know of no instance where this law was applied. To prevent careless expenditure of public funds, an amendment was added to the charter making aldermen voting for expenditures greater than the income of the city (or the ward), liable to pay "the excess in their individual capacities, except in cases of insurrection or contagion."³⁶ But no attention, it appears, was ever paid to this law.

The aldermen also had a hand in the county government. Each ward was also a township and as such was governed by its three aldermen acting as town supervisors. One of the three was chosen chairman, and represented the ward in the county board.³⁷ The charter also provided that each ward should be a school district, the aldermen acting as school commissioners.³⁸ But the aldermen soon lost this distinction. By the law of February 3, 1846, a board of school commissioners was created, composed of three commissioners from each ward appointed for three years by the mayor and council.³⁹ To this board the complete management of the school system was entrusted, though in the matter of finance it was somewhat dependent on the council.⁴⁰

³⁴ Though the aldermen received no salary the office was much sought after. The *Sentinel* of March 21, 1856, expresses much surprise at the sudden prosperity of some of these unsalaried officials. The aldermen and the contractors would, it seems, form political alliances and these combinations proved very powerful at public meetings and elections. See Buck, *Milwaukee*, 4:252-3.

³⁵ *Charter of 1846*, sec. 23: such contracts were declared void.

³⁶ *Laws of Wis.*, 1849, ch. 91, sec. 6.

³⁷ *Charter of 1846*, sec. 27. Each ward is still a township, but a supervisor specially chosen represents it in the county board. The ward has no town government.

³⁸ *Ibid.*, sec. 28.

³⁹ *Laws of Wis.*, 1846, 81.

⁴⁰ It was the duty of the council on request of the commissioners to levy a tax sufficient to meet the running expenses of the schools; but in matters of alterations, repairs, new buildings, etc., the council exercised discretion. The tax rate was limited to 2½ mills.

B. MUNICIPAL REVENUES

1. *The Sources.* The income of the city had to be derived almost wholly from some form of direct taxation. In the absence of a well organized police department, the enforcement of local ordinances was extremely lax, and hence but little revenue was collected in the way of fines.⁴¹ A wave of temperance sentiment, which was just then sweeping over the state, threatened to rob the city of all income from licenses issued to liquor dealers.⁴² The amount derived yearly from this source was small, only about \$3,000.⁴³ In 1850 all license laws were repealed;⁴⁴ but in 1851 the tax was restored and fixed at \$100 per year.⁴⁵ The school board was empowered to collect tuition fees in case the regular revenues should prove insufficient; but it does not seem that such rates were generally collected. The administrative expenses of the city were met by a general tax levied for that purpose; the expenses of each ward were similarly met by a tax on the property assessed in each particular ward.

It will thus be seen that the rate of taxation might differ in the various parts of the city. Local improvements were paid for mainly by special assessments on the lots benefiting by the same. Taxes were levied by the council or by the aldermen of the ward or wards concerned. The machinery provided for the levy and collection of taxes was as simple as possible. The ward assessors prepared the assessment rolls in May;⁴⁶ these when completed were returned to the clerk who laid them before the council; this body corrected and equalized the assessments, prepared the budget, and computed the tax rate. Tax lists were then made out by the clerk and delivered to the treasurer

⁴¹ \$1,301.61 in the fiscal year 1849. *Sentinel*, Apr. 24, 1850.

⁴² In 1853 the state by referendum actually declared for prohibition but the vote was taken merely to determine public sentiment and had no legal effect. Milwaukee opposed prohibition. Conard, *Milwaukee*, 1: 83.

⁴³ \$2,634.03 in 1847 (Buck, *Milwaukee*, 3: 155); \$3,746.19 in 1850 (*Sentinel*, Apr. 24, 1850). Small sums derived from dog, dray, circus, and theater licenses are included in these amounts.

⁴⁴ Conard, *Milwaukee*, 1: 83; *Laws of Wis.*, 1850, ch. 139.

⁴⁵ *Laws of Wis.*, 1851, ch. 162. It would seem from a later law (ch. 305) amending the charter, that this amount was merely to be considered a minimum.

⁴⁶ But the council might change the time if it was thought advisable.

whose duty it was to collect all taxes by forced sales if necessary. All amounts were due at the close of the calendar year.⁴⁷

2. *General Taxation.* According to the charter the council was authorized to levy a tax of 10 mills on the dollar for general ward purposes, this to be levied on all real and personal property that was liable to taxation for county purposes. A tax of 2½ mills for school and poor support, a similar contribution for health, police, and fire department purposes, and a 5-mill bridge tax might also be levied.⁴⁸ In the east and the west side wards a tax not exceeding 10 mills was to be laid on all real estate "exclusive of the value of all buildings thereon" to be applied on the debt of the old East and West Wards.⁴⁹ A harbor tax might also be raised, if the voters of the city should desire it; but the residents of the South Ward were to be excused from all such contributions.⁵⁰ Two years later this was changed materially. The tax was doubled, but could not be laid before the "white male tax-payers" had had an opportunity to vote on the proposition. If all the wards returned a majority for the tax, it was to be levied by the council; in case some wards only favored it, the aldermen of each of these were to decide whether their particular wards should or should not pay the tax.⁵¹ The total tax rate was further increased by the school law of 1846, which fixed the maximum levy for school purposes at 2½ mills.⁵² In addition every male resident who was subject to the highway poll-tax was required to work two days on the city streets or make a payment at the rate of seventy-five cents a day.⁵³

The citizens who had believed so confidently that the new form of government would hardly be more expensive than the old were somewhat surprised when the first taxes were levied.

⁴⁷ *Charter of 1846*, secs. 34-42.

⁴⁸ *Ibid.*, sec. 31.

⁴⁹ *Ibid.* This tax was to be levied annually until these debts were paid.

⁵⁰ The money raised was to be expended at Straight Cut; this would move the harbor entrance away from the South Side and work disadvantage to the residents there. (*Ibid.*, sec. 32.)

⁵¹ *Laws of Wis.*, 1848, 174-6: act of Aug. 19. Dredging the river was included in the purpose of this act, hence, perhaps, the increased rate.

⁵² *Laws of Wis.*, 1846, 81. This apparently left the 2½-mill levy provided for in the charter to be used for a poor fund only.

⁵³ *Charter of 1846*, sec. 33.

The council found that it had, after all, very little discretion in the matter of rates.⁵⁴ In almost every case the maximum rate had to be levied, the exceptions being a slight reduction in the levy for school purposes and poor support, and a considerable reduction in the rate for ward purposes in the First and the Fifth Wards.⁵⁵ The aggregate municipal rate was not far from 30 mills. There seems to have been no appreciable reduction in the years immediately following. The tax rate for 1848 in the various wards (including state and county taxes) ranged from 26 to 40 mills.⁵⁶

At first sight this rate seems excessively high; still, taken alone the figures mean very little. Everything depends on how the assessors valued the taxable property. During this period and for a number of years following the assessed valuation of property was only a fraction of its market value. It is stated that assessors would sometimes rate property as low as one-tenth of what it was actually worth.⁵⁷ In 1846 the assessed valuation was \$1,428,370⁵⁸ or \$142 per capita. Five years later (1851) the assessor reported \$1,995,616,⁵⁹ or \$99 per capita. In 1856 the per capita valuation was only \$80,⁶⁰ while in 1870, after a determined effort had been made to enforce the assess-

⁵⁴ "The amount of assessment is not far from 3 per-cent on the real and personal property of the city," complained the *Sentinel*, Nov. 20, 1846. It reported much dissatisfaction. As a Whig organ it could not help attributing this heavy rate to Democratic incapacity for government. A member of the council declared (*Sentinel*, Dec. 31, 1846) that the taxes were three or four times as heavy as the people had expected them to be.

	Maximum rate permitted.	Rate levied, 1846.
⁵⁵ Poor fund	2½ mills	2 mills
Schools	2½ mills	2 mills
Health and police	2½ mills	2½ mills
Bridges	5 mills	5 mills
Ward debt	10 mills	10 mills
Ward purposes	10 mills	
In Second, Fourth, and Fifth..		10 mills
In First		3¾ mills
In Third		5 mills

Sentinel, Dec. 17, 1846.

⁵⁶ Buck, *Milwaukee*, 3: 155-6.

⁵⁷ *Comptroller's Report*, 1856-7.

⁵⁸ Buck, *Milwaukee*, 3: 88.

⁵⁹ *Free Democrat*, March 10, 1851.

⁶⁰ Assessed valuation, \$2,650,890; inaugural of Mayor Cross, Apr. 14, 1856. Population 33,000 (estimated). *Sentinel*, Apr. 15, 1856.

ment laws, it was \$650.⁶¹ A levy of thirty years ago would probably be equivalent to something like 12 mills as property is assessed at present.

The partial independence of the wards necessitated a peculiar distribution of the municipal revenues. An ordinance of July 22, 1847, provides for a county fund, a general city fund, a school fund, a city loan fund, and ward funds of various sorts.⁶² Of these funds only two need be noted further at this point. The general city fund was to be composed of revenues derived from licenses, fines and taxes levied to defray the expenses of the general administration, provide relief for the poor, secure fire and police protection, and to pay the expenses of a health department. The ward funds were of three kinds: general ward funds to be used for street work, bridge repairs and the like; special ward funds derived from taxes levied for the construction of streets and sidewalks provided for by special laws; ward loan funds for the payment of the old ward debts. In 1849 the special ward funds were abolished and the accounts transferred to the general fund.⁶³ The loan fund disappeared when the debts were paid. The general ward fund has survived and is still a part of Milwaukee finance.

3. *Special Assessments.* The municipal taxes of this period may not have been exorbitant when compared with those of today; but there were other contributions exacted that served to increase the burden and make it seem intolerable, especially so long as the lighter taxes of the village period were still fresh in the memory of the citizens. The general practice in making local improvements was to assess a large part of the cost on the property owners most directly interested. There is nothing peculiar about this practice, but we must remember that in a city so ill favored by nature, and still rapidly developing both in numbers and in settled area, the cost of necessary improvements would be great from the very beginning. In the earlier years of charter government, such work seems to have been paid, "two-thirds by the property owners of the vicinity and one-

⁶¹ Valuation, \$44,048,597.66. Population, 71,440.

⁶² *Ordinances*, 1848, 49.

⁶³ Ordinance of Mar. 17, 1849. An exception was made in the case of the Fifth Ward.

third by the city.''⁶⁴ In 1848 a special act permitted the aldermen of the Third Ward to levy special taxes on certain lots in that ward, but the tax was not to exceed three-fourths of the expense of the improvement paid for, and should be apportioned according to frontage.⁶⁵ A few months later a general act was passed authorizing the council to begin street improvements anywhere in the city and to collect the usual special taxes.⁶⁶ But there seems to have been a feeling abroad that such taxes had not in the past been assessed on an equitable basis. An attempt was made to remedy this by a proviso that such tax should in no case exceed the amount by which the value of the lot would be enhanced by the improvement, said value to be ascertained by the assessor.⁶⁷ The balance was to be paid by the wards. In addition to this act, special laws were passed from time to time providing for the construction of particular streets and usually placing the work in the hands of the aldermen of the wards concerned.⁶⁸ In 1851, these "local committees" seem to have come into full control of all such work.⁶⁹

Ordinarily these assessments were for street purposes, but other forms of local improvements were sometimes paid for in the same way. In 1849, the aldermen of the Fifth Ward were empowered to build a wharf and to dredge the river in front of it; the cost to be assessed on the lots fronting the wharf in proportion to the frontage.⁷⁰ The next year we find similar legislation for the Fourth Ward,⁷¹ and in 1851 the Third Ward

⁶⁴ *New York Courier and Enquirer*; see *Sentinel*, Sept. 21, 1846.

⁶⁵ The tax was for the improvement of E. Water and Huron streets; *Laws of Wis.*, 1848: act of Mar. 11. Similar authority was granted on the same day to the aldermen of the Fifth Ward.

⁶⁶ *Ibid.*, act of Aug. 10. The council was given similar powers with respect to lots on which water accumulated and became stagnant.

⁶⁷ Each ward had three assessors. Mar. 11, 1848, a law was passed (limited in operation to the Fifth Ward) giving the owners of lots an opportunity to have their complaints heard in case their property should be injured instead of benefited by deep cutting or extraordinary filling. In such cases the marshal was to summon twelve freeholders, not residents of the complainant's ward, who were to determine what part of the special tax ought to be remitted. (*Laws of Wis.*, 1848, 264.)

⁶⁸ *Ibid.*, 1848, pp. 103, 174; *ibid.*, 1850, ch. 280; *ibid.*, 1851, chs. 269, 305.

⁶⁹ *Ibid.*, 1851, ch. 305.

⁷⁰ *Ibid.*, 1849, ch. 80.

⁷¹ *Ibid.*, 1850, ch. 67.

was authorized to proceed in a like manner.⁷² In all these instances, the property owners seem to have been assessed for the entire cost of the wharves.

So long as the council had control of this form of taxation, the difficulties incident to collecting the taxes would not be great. But as the matter gradually came into the hands of the local aldermen, the difficulties seem to have increased. An attempt was then made to collect these like any other taxes, to have them levied by the assessor (under the direction of the aldermen) who should make a return of the amounts levied to the clerk in order that they might get into the tax lists.⁷³ However, in 1849 and 1850, such a large part of the taxes remained uncollected at the close of the fiscal year,⁷⁴ that to proceed to collect by means of forced sales would have been unwise and impracticable. In 1851 the legislature sanctioned a new method of payment: on completing the work undertaken, the contractor received a certificate stating what was due and what parcels of real estate were responsible for its payment. These certificates drew interest at the rate of 12 per cent. and were transferable. In case the owners of the lots specified neglected to pay what was due, judgment could be obtained in the circuit court.⁷⁵

C. MUNICIPAL EXPENDITURES

1. *Administration.* The new common council took up its abode in the basement of the Methodist Church on Spring street. Here it dwelt for about two years and then moved into new quarters in the second story of a stable where it remained until in 1850 this "city hall" was destroyed by fire.⁷⁶ It does not appear that the aldermen were very profoundly impressed with the importance of attending the regular meetings. Again and

⁷² *Ibid.*, 1851, ch. 157. This act also provides for more wharves in the Fifth Ward.

⁷³ *Laws of Wis.*, 1848, 103-4; *ibid.*, 1849, ch. 80; *ibid.*, 1851, ch. 305.

⁷⁴ The taxes for 1849 were illegally levied and had to be reassessed (Buck, *Milwaukee*, 3: 199). The legislature finally extended the time for the payment of these taxes to the second Monday in February, 1850. (*Laws of Wis.*, 1850, ch. 9.)

⁷⁵ *Ibid.*, 1851, ch. 269.

⁷⁶ *Milwaukee* (1881), 270.

again in those early years, we find that the council could transact no business for want of a quorum. An ordinance had been passed in 1844 providing for fines for absence from the council without leave;⁷⁷ but this plan had evidently proved ineffective, as the legislature was finally called on to act in the matter.⁷⁸ The city fathers, then as now, were freely charged with extravagance, but at least with respect to granting salaries this charge was baseless. In 1847, the finance committee reported adversely a bill presented by the treasurer for office rent, blanks, and clerk hire; the council allowed office rent in no other case and should make no exception in this; if the treasurer could lighten his labors by using printed blanks and employing clerks, he was at liberty to do so, but at his own expense. The city paid him \$400 for the work and it ought to cost no more.⁷⁹ The logic of the committee prevailed. With the possible exception of the clerk, the treasurer was the best paid official in the government. The clerk in 1848 seems to have enjoyed an income from the city of \$600;⁸⁰ the next year it was raised to \$700,⁸¹ at which figure it remained for several years. In 1849, the marshal's salary 'was \$200;⁸² two years later it was fixed at \$300 and 3 per cent. on moneys collected.⁸³ The police justice in 1851 had a salary of \$400.⁸⁴ The street inspectors were paid, in the First Ward, \$250, and one dollar per day for each man employed; in the Second and Fourth Wards \$100 and one dollar per day for each man employed; and in the Third and Fifth Wards \$365.⁸⁵ In all other matters of general administrative interest, the same kind of penurious economy seems to have been practiced.

2. *Alms house and Health Department.* One of the first matters that the new government took up was that of poor relief. A small tax yielding \$2,857.48⁸⁶ was levied for that purpose in

⁷⁷ Buck, *Milwaukee*, 3: 24-5.

⁷⁸ *Charter of 1846*, sec. 22.

⁷⁹ Buck, *Milwaukee*, 3: 81.

⁸⁰ *Ibid.*, 157.

⁸¹ *Ordinances*, 1848, 81: ordinance of Apr. 21, 1849; (supplement).

⁸² *Ibid.*

⁸³ Buck, *Milwaukee*, 3: 344.

⁸⁴ *Ibid.*

⁸⁵ *Ibid.*

⁸⁶ *Sentinel*, Dec. 17, 1846.

1846; most of this money seems to have been spent in providing an almshouse. In June of that year, an ordinance was passed establishing the office of superintendent of the almshouse and specifying the duties of this new official.⁸⁷ The compensation was fixed at \$1.50 per week for every person in his care above the age of ten years and half as much for all others.⁸⁸ Three years later the system was changed somewhat, and the almshouse keeper was given a regular salary which for that year was to be \$350.⁸⁹

In 1845 the board of trustees entered into an agreement with the Milwaukee Medical Association, according to which the society agreed to look after the sick poor in the village. For this the corporation paid \$400. Next year a city physician was appointed for this work with a salary of \$350.⁹⁰ During the summer smallpox broke out and certain sanitary measures had to be taken. In June the council selected five physicians, one for each ward, to study the situation and attend the sick. A little later a board of health was created composed of the mayor and five aldermen with power to make and enforce such sanitary regulations as the situation demanded. When it became necessary in November to provide a pest house, the council promptly set aside \$100 for such a building.⁹¹

The arrangements were, however, all merely temporary. The board of health was nothing but a committee of the council, and, as a rule, was active only when danger was present and immediate. In 1848 cholera appeared in the country. Mayor Upham, in his inaugural the next April, called attention to the great need of an active board of health;⁹² but as usual no intelligent action was taken before the disease was approaching

⁸⁷ *Ordinances*, 1848, 3: ordinance of June 15, 1846.

⁸⁸ *Ibid.*, 41: ordinance of Dec. 17, 1846. There was no other compensation, but the inmates might be required to assist in the garden or on the farm.

⁸⁹ *Ibid.*, 81: ordinance of Apr. 21, 1849.

⁹⁰ Conard, *Milwaukee*, 1: 243. The physician appointed is said to have underbid the Association. The arrangement was unsatisfactory and in 1847 the council again entrusted the matter to the Association; the amount paid was \$500; two physicians looked after the almshouse patients and two were assigned to each ward.

⁹¹ *Ibid.*, 250-1; see also *Milwaukee* (1881), 396-7.

⁹² *Sentinel*, Apr. 13, 1849; see also *ibid.*, Apr. 14, 1848; inaugural of Mayor Kilbourn.

the city. Great efforts were then made to avert the plague, but all in vain.⁹³

The cost of maintaining these two departments was considerable. In 1849 it amounted to a little more than \$6,000, about two-thirds of which was for support of the poor.⁹⁴

3. *Police and Fire Departments.* Though the terms police and police departments were frequently used in the early years of Milwaukee, in reality such a department did not exist. The charter continued the office of marshal, but it was evident that this official alone could not preserve the public peace night and day in a scattered city like Milwaukee. To begin with, the marshal was authorized to appoint deputies whenever he should find it necessary to do so;⁹⁵ but this did not solve the problem of service at night. In December, 1846, a night watch was established, consisting of a captain of the whole city and a watchman for each ward.⁹⁶ The next year the number of watchmen appears to have been doubled.⁹⁷ The watch was not a very ex-

⁹³ Conard, *Milwaukee*, 1: 251. The disease soon reappeared. A new board of health was organized with extensive powers, but its efforts were unavailing. It is said, however, that its expenses for the year (1850) were only \$500. (*Milwaukee* (1881), 357.)

⁹⁴ *Sentinel*, Apr. 24, 1850. Treasurer's report:

Almshouse	\$1,344 15
Poor support in addition	2,839 63
Keeping of insane.....	357 92
Quarantine	376 46
Physicians for poor.....	737 81
Superintendent of almshouse.....	403 12

\$6,059 09

To this should probably be added \$105 for abating nuisances.

The expenses for 1847 as given by Buck (*Milwaukee*, 3: 155-6) are as follows:

Poor support	\$2,691 90
Building city hospital	625 56
Salary of hospital physicians etc.....	394 38
Superintendent of almshouse.....	380 82

\$4,092 16

The city also paid \$338.25 for vaccination done the year before.

⁹⁵ Buck, *Milwaukee*, 3: 22; ordinance of July 13, 1846. Evidently such deputies were occasionally appointed; in 1847 the city paid \$306.64 to the marshal (*Ibid.*, 155) while in 1849 the marshal's office cost \$1,065.77 (*Sentinel*, Apr. 24, 1850.)

⁹⁶ *Ordinances*, 1848, 37-41; ordinance of Dec. 3, 1846.

⁹⁷ *Sentinel*, Mar. 27, 1847. Ten watchmen are referred to.

pensive institution, as the captain in 1847 received only \$1.50 per night, and the watchmen only about \$1.⁹⁸ Each ward evidently paid its own watchmen, but it does not appear that all the wards maintained a night watch more than a few months in the year.⁹⁹

The city also maintained a central station or watch house where prisoners were detained until they could appear before the police justice.¹⁰⁰ This was not a regularly chosen official but one of the ward justices of the peace selected by the council to act in this capacity. In addition to his ordinary powers as justice of the peace, he had by virtue of this appointment "sole and exclusive jurisdiction to hear all complaints and conduct all examinations and trials in criminal cases within the city;" also "exclusive jurisdiction in all cases in which the city was a party."¹⁰¹ From 1850 to 1852, Milwaukee really had two police courts; as by an act of February 9, 1850, the justice of the peace in the Fifth Ward was given concurrent jurisdiction with the police justice "within the limits of said ward."¹⁰² The salary of the police justice was not large: in 1851 it was \$400.¹⁰³

The charter empowered the council to organize fire companies, each to be limited to forty men. But the organizations as before were voluntary and the only inducements to enlist were certain exemptions from highway labor and militia duty,¹⁰⁴ and later also from jury duty.¹⁰⁵ After seven years of service, the firemen were excused from these three burdens forever, except

⁹⁸ *Ibid.*

⁹⁹ Mayor Kilbourn spoke in his inaugural (1848) of great dissatisfaction with the night watch arrangement. In 1850 Mayor Upham maintained that the city had had only two or three watchmen during the year past. (*Sentinel*, Apr. 14, 1848; Apr. 22, 1850.) In 1848 the Fifth Ward seems to have paid its night watchman only \$52; the next year \$93. In 1849 the First Ward evidently employed a continuous watch; its expenditures for this service were \$397. (*Ibid.*, Apr. 18, 1849; Apr. 24, 1850.)

¹⁰⁰ *Ibid.*, June 24, 1846. For a time the county jail was used. In 1847 the city paid in rent of watch house and salary of watchmen \$104.33. (Buck, *Milwaukee*, 3:155.)

¹⁰¹ *Charter of 1846*, sec. 16.

¹⁰² *Laws of Wis.*, 1850, ch. 278.

¹⁰³ Buck, *Milwaukee*, 3:344. In 1851 the police department is said to have cost the city \$1,759.83; but I am unable to determine just what the finance committee means to include under "police." See *Free Democrat*, Mar. 6, 1852.

¹⁰⁴ *Charter of 1846*, sec. 57.

¹⁰⁵ *Laws of Wis.*, 1847 (reg. sess., 64-5); act of Feb. 4, 1847, sec. 3.

in cases of insurrection and invasion. The chief engineer and his assistants were to be appointed by the council;¹⁰⁶ but this power seems in practice to have remained in the hands of the firemen themselves.¹⁰⁷ Each ward had a fire warden whose principal duty was to inspect the buildings in his district.¹⁰⁸ At first the city government seemed reluctant to undertake the reorganization of this department. Many of the aldermen favored letting each ward manage its own fire service.¹⁰⁹ Finally, however, it was determined to purchase the apparatus from the wards and make the department a general concern.¹¹⁰ New apparatus was added and buildings for the use of the companies were begun;¹¹¹ but funds were lacking and enough could not be done to give the city adequate protection. The council came in for a great deal of unfavorable criticism during all these years, both on the part of firemen and citizens, especially for the manner in which the apparatus was housed.¹¹² The fire companies at last became desperate and threatened to disband.¹¹³ This with a threat from the underwriters to raise insurance rates (1852) finally secured for the department the consideration that it so long had sought.¹¹⁴

The cost of this department in 1847 was \$2,095.22, nearly all of which was for building engine houses.¹¹⁵ In 1849 the cost

¹⁰⁶ *Charter of 1846*, sec. 21.

¹⁰⁷ See account of election of chiefs and assistants in *Sentinel*, March 27, 1850.

¹⁰⁸ *Ordinances*, 1848, 20 ff.

¹⁰⁹ *Sentinel*, July 1, 1846.

¹¹⁰ *Ibid.*, Sept. 21, 1846.

¹¹¹ *Ibid.*, Nov. 29, 1847.

¹¹² See Buck, *Milwaukee*, 3: 207, 232, 237-91, 377-8; *Sentinel*, Nov. 29, 1847. The chief engineer reported six companies in 1850. Some of these had good houses and apparatus, while others had not. Compared with the fire department in other cities, he said, "ours is decidedly deficient in numerical strength and force, and in the number of engines, only three of which can be relied upon." Among other things he recommended larger companies. This was heeded and the legislature at its next session raised the limit from 40 to 70 men. (*Laws of Wis.*, 1851, ch. 305, sec. 8.) For the report see Buck, *Milwaukee*, 3: 287; *Advertiser*, Aug. 22, 1850.

¹¹³ Buck, *Milwaukee*, 3: 377-8. Among other things complained of was the council's habit of not paying its bills promptly and leaving the fire companies to face insistent creditors.

¹¹⁴ Buck, *Milwaukee*, 3: 377-8.

¹¹⁵ *Ibid.*, 155. For building engine houses \$1,718.26; for support of fire department, \$276.96.

was \$3,193.98,¹¹⁶ and in 1851, \$4,409.48.¹¹⁷ It will be seen that during these four years the expense of fire protection had doubled; but the population also had doubled in the same period.¹¹⁸ The cost *per capita* (about 20 cents or less) remained nearly the same throughout the period.

4. *Harbor and Bridges.* As stated above, the new charter empowered the council to levy a harbor tax if the taxpayers by referendum should declare for it.¹¹⁹ Though the question was agitated continually no such tax was levied, as the city still entertained the hope that Congress would build the harbor where the majority of the citizens wanted it.¹²⁰ It should be added that Milwaukee was hardly able financially to undertake such a work at this time. And in those years the city began to develop a frenzied interest in railroads. Milwaukee cannot assist in railway building and construct a harbor at the same time, argued Mayor Upham in his inaugural address in 1849. He, at least, was in favor of investing in railway stock, and letting the harbor wait.¹²¹

The situation with respect to bridges improved somewhat under the new government, but did not become wholly satisfactory. The act of February 2, 1846, permitted the construction or rebuilding of three bridges, all across the Milwaukee river.¹²² One was to connect the East and South sides,¹²³ another connected Wisconsin and Spring streets, and a third was located in the northern part of the city at Cherry street. It was also provided that the Chestnut street and Oneida street bridges should be removed.¹²⁴ The expense of building, rebuilding,¹²⁵

¹¹⁶ *Sentinel*, April 24, 1850: treasurer's report.

¹¹⁷ *Free Democrat*, March 6, 1852: report of finance committee.

¹¹⁸ The population in 1846 was 9,508; in 1850 it was 20,061.

¹¹⁹ See above under general taxation.

¹²⁰ In 1850 the harbor question seems to have again entered into congressional politics. (*Free Democrat*, Nov. 4, 1850.)

¹²¹ *Sentinel*, April 13, 1849.

¹²² *Laws of Wis.*, 1846, 100. This act was not to become effective before it had been accepted by the voters at a referendum; but at this election the voters of Walker's Point were to have no part; it was feared they might defeat the measure. (*Milwaukee* (1881), 513.)

¹²³ Connecting E. Water and Ferry streets.

¹²⁴ The former when the Cherry st. bridge was completed; the latter within five years (sec. 3).

¹²⁵ The law contemplated rebuilding the bridges at Spring and Ferry streets (sec. 1).

and maintaining these bridges was distributed among the various wards, but in such proportions that the East Side had to bear at least three-fourths of the burden.¹²⁶ There was probably some justice in this at the time when the law was passed, but in a few years the relative importance of the wards had changed, and the burden was no longer equitably distributed.¹²⁷ There was also the difficulty that a bridge maintained by three or four pugnacious wards was in danger of not being maintained at all.¹²⁸

The bridge tax levied in 1846 produced \$4,307.53 in the East Side wards and \$2,180.40 in those on the West Side.¹²⁹ It seems likely that all this money was used in accordance with the bridge law of that year. It is impossible to determine what the bridge expenses for the next few years were, but an idea can be formed from the estimates of Alderman Smith as to the taxes needed for 1847. He thought a one-mill tax would be sufficient. This would probably produce \$1,500.¹³⁰ In 1849 a new bridge was built at Oneida street apparently at the expense of the First Ward; the cost of which was \$2,805.35.¹³¹ That same year this ward had other bridge expenses to the amount of \$403.29, while the Fifth Ward spent only \$65.82;¹³² but then the First Ward helped to maintain four bridges, while the Fifth Ward was responsible only for a small share of the expense of maintaining one.

5. *Schools.* As we have already seen, the management of the

¹²⁶ The Ferry st. bridge was to be maintained by the East Side and South Side wards "in proportion to their respective tax lists." The other bridges were to be kept up by the wards concerned in the same proportion. This seems just, but we must remember that the East Side wards had to help maintain all the bridges, while the South Side paid one-sixth of the expense of maintaining one. The East Side also had to pay three-fourths of the cost of rebuilding the Spring st. bridge and all of the cost of the "bridge proper" at Cherry st.

¹²⁷ See the *Free Democrat* of Nov. 18, 1850. The editor favors a transfer of all these charges to the general city fund.

¹²⁸ As a matter of fact the wards seem to have been slow in repairing bridges. See *Wisconsin*, Apr. 17, 1849.

¹²⁹ *Sentinel*, Dec. 17, 1846.

¹³⁰ *Sentinel*, Dec. 17, 1846.

¹³¹ *Ibid.*, April 24, 1850.

¹³² *Ibid.* At this rate the cost of maintaining the Walker's Point bridge must have been less than \$400 for the year. The year before, this bridge had to be repaired as well as tended; the bridge expenses for that year (Fifth Ward) were \$392.89. In 1851 the bridge expenses for the entire city amounted to \$2,752.78 or about \$690 per bridge.

city schools, originally placed in the hands of the aldermen, was finally entrusted to a separate body known as the board of school commissioners. This body was authorized to establish and organize schools, to employ teachers, to hire or erect school houses—in general, to manage the entire public school system.¹³³ It will be remembered that at the close of 1845 there were thirteen schools in the city, of which nine were private. These private establishments the board might declare public schools; only they must have competent teachers and at least thirty pupils in attendance.¹³⁴ The commissioners were to determine the amount of money needed for school purposes and report the same to the council, whose duty it then became to provide the funds.¹³⁵ These were kept by the city treasurer and paid out by him on the order of the school board.¹³⁶ To provide these revenues a tax of 2½ mills might be levied, but the board was also empowered to charge a tuition fee limited to \$1.50 per quarter of eleven weeks.¹³⁷

The school board organized April 14, 1846. On inquiry it was found that the new department was utterly without funds, and that none could be realized before the taxes were collected at the close of the year. It was determined, however, to open the schools as soon as suitable rooms and teachers could be secured, and to draw orders on the school fund for the payment of expenses. In June five schools were in operation, one in each ward. In October an additional school was opened in the Third Ward. But these schools soon proved insufficient, and in February the board added two primary schools, one in the Second Ward and one in the Fifth. The aggregate attendance at the public schools for the months of February and March, 1847, was 753. At the same time there were fourteen private schools in the city, attended by 437 pupils. In all 1,190

¹³³ *Charter*, 1849, 38 ff: School Law of Feb. 3, 1846, sec. 5.

¹³⁴ *Ibid.*, sec. 10-11.

¹³⁵ *Ibid.*, sec. 7.

¹³⁶ *Ibid.*, sec. 8.

¹³⁷ *Ibid.*, sec. 5. No such rates were collected during the first year of the board's existence; whether they were levied later or not I am unable to determine; but from Mayor Kilbourn's protest against tuition fees in his inaugural address (1848) I infer that some revenue was raised by this means.

children were attending some school; more than twice the number that were in school the year before.¹³⁸

But Milwaukee still counted a thousand children between the ages of five and sixteen¹³⁹ that were not in any school, public or select. How to provide accommodations for these was the problem. The city still had only one decent school house, the one at Walker's Point. Six of the eight schools occupied rented rooms. That these were not ideal school rooms appears from a statement by the editor of the *Sentinel*, that he had visited one of them and had found one hundred and twenty-six children huddled together in a room twenty-four feet long by eighteen wide.¹⁴⁰ But the board was powerless. The 2-mill tax levied by the commissioners netted \$2,708.03, a sum sufficient to pay all the expenses incurred (\$2,207.02),¹⁴¹ but not large enough to warrant the establishment of further schools, to say nothing of building suitable school houses. The board and the council saw but one way out of the difficulty: the necessary funds could be secured only by making a loan, and the two bodies joined in requesting the legislature to authorize a loan of \$15,000 for a term of ten years at a rate not to exceed 10 per cent. The legislature consented on condition that such a loan be first approved by the people at a special election. The money thus borrowed was to be used for school sites and school houses only. It was estimated that the sum would be sufficient "to build five school houses with accommodations for 1,200 children."¹⁴²

There must have existed considerable opposition to making

¹³⁸ This paragraph is summarized from the *First Annual Report of the Board of School Commissioners*, published in the *Sentinel*, Apr. 26, 1847. See also Buck, *Milwaukee*, 3: 71 ff.

¹³⁹ The school census (1847) reported 2,128 children of school age. (*Ibid.*)

¹⁴⁰ *Sentinel*, July 10, 1847. The editor, Gen. Rufus King, was a member of the school board.

¹⁴¹ Expenditures for the year ending March 31, 1847:

Teachers' wages	\$1,784 65
Room rent	118 32
Sundries	304 05

\$2,207 02

Some of the teachers provided the rooms in which they taught; all found their own fuel. (*First Ann. Rep.*)

¹⁴² *Ibid.*; *Sentinel*, Jan. 11, Jul. 10, 1847; *Laws of Wis.*, 1847, 32.

such a loan, for the council delayed long before fixing a date for the referendum. A meeting was called for July 10, 1847, to fix such a date, but a quorum did not appear. Not before 1849 was the city able to begin building new school houses.¹⁴³ Two loans amounting to \$7,000 seem to have been made¹⁴⁴ and the next April at a special election a further loan of \$10,000 was authorized.¹⁴⁵ With the funds thus provided five school houses were built, each costing, site and furniture included, a little more than \$4,000.¹⁴⁶ All of these were not finished before 1852.¹⁴⁷ The need of new school buildings had by this time become evident to all. In 1849 nearly 4,000 children between five and sixteen years old were found by the enumerators, and of these the city in its nine crowded schools was able to accommodate only 1,158.¹⁴⁸

In the actual management of the schools, the principal item of expense was teachers' wages. In 1846 the teachers were paid about \$250 per year.¹⁴⁹ Four years later the men received \$400 and the women from \$200 to \$250 annually.¹⁵⁰ Doubtless this increase in salary is mainly responsible for the growth in expenditures from \$2,207.02 in 1846 to \$4,083.36 in 1849.¹⁵¹ Throughout this period the yearly cost of the public school system (building expenses not included) was a trifle less than 25 cents *per capita*, certainly not an enormous tax.

6. *Streets, Sidewalks, and Sewers.* Thus far we have met with a seeming reluctance on the part of the authorities to spend money for any purpose whatever; but when we come to consider the matter of street building, we observe a different

¹⁴³ *Fourth Annual Report of the Board of School Commissioners, 1849*; see Buck, *Milwaukee*, 3: 271 ff.; cf. *Sentinel*, Jan. 24, 1849.

¹⁴⁴ See *ibid.* and *Sentinel*, Apr. 24, 1850. The loan of \$2,000 secured from I. A. Lapham probably was not of the sort contemplated by the act limiting the amount to be borrowed to \$15,000.

¹⁴⁵ *Sentinel*, April 1, 1850.

¹⁴⁶ *Fourth Annual Report.*

¹⁴⁷ *Milwaukee*, (1881), 520.

¹⁴⁸ *Fourth Annual Report.* The number found was 3,935. Before these buildings were all completed Milwaukee had 6,463 children of school age.

¹⁴⁹ *First Annual Report.*

¹⁵⁰ *Fourth Annual Report.*

¹⁵¹ 1846-1847 \$2,207 02 *First Ann. Rep.*; *Sentinel*, Apr. 26, 1847.
1847-1848 3,164 65. (Includes a treasurer's commission, \$163.15,
Buck, *Milwaukee*, 3: 156.)

1848-1849 3,512 96. *Sentinel*, Mar. 9, 1849.

1849-1850 4,083 36. Buck, *Milwaukee*, 3: 273.

attitude. The impression that one receives from examining the newspapers of the period is that there must have been an immense amount of street work done during those years.¹⁵² It is evident also that the need for such improvement was exceedingly great. The streets were "hideous" in 1846, if we are to believe the *Sentinel*, and sidewalks existed only in the form of ditches.¹⁵³ The next year this same paper noticed vast improvements in this respect: "wide and handsome brick sidewalks" had been laid along several of the leading streets, and the grades had been much improved.¹⁵⁴ We gather, however, from Mayor Kilbourn's inaugural (in 1848) that much of this work was not such as to insure permanence: poor materials had been used and the work had been carelessly done.¹⁵⁵ But in that year the council began to plan for more efficient work in this line and appointed a street inspector for each ward to have charge of this work.¹⁵⁶ He was to be paid at the rate of \$1.00 per day for the time actually spent in directing the work; but it seems that he was not supposed to spend more than a few days at these duties.¹⁵⁷ The experiment was evidently successful; for, a year later, the inspectors were appointed for a twelve months' term,¹⁵⁸ and soon after they were made salaried officials.¹⁵⁹ But gradually the local aldermen began to supersede the inspectors until in 1852, the new charter placed all street improvements in charge of these local committees acting as street commissioners.¹⁶⁰

The revenues necessary to carry on these improvements were derived principally from the ward funds and from special assessments. Loans were generally not allowed.¹⁶¹ It must be

¹⁵² See also Buck, *Milwaukee*, 3: passim.

¹⁵³ *Sentinel*, July 9, 1846.

¹⁵⁴ *Ibid.*, Nov. 12, 1847.

¹⁵⁵ *Ibid.*, Apr. 14, 1848. He declared that the street commissioners had done poor work. He would have them cooperate with the board of health.

¹⁵⁶ *Ordinances*, 1848, 62-4: ordinance of March 30, 1848.

¹⁵⁷ *Ibid.*

¹⁵⁸ *Ibid.*, 75, *Ordinances* of March 17, 1849. At this time the council also began to look about for a city engineer. (*Sentinel*, Apr. 30, 1849.)

¹⁵⁹ I do not find that their salaries were fixed before 1851. See Buck, *Milwaukee*, 3: 344.

¹⁶⁰ This change really came a year earlier by the tax law of Mar. 15, 1851. (*Laws of Wis.*, 1851, ch. 378.)

¹⁶¹ The only instance I have met of such a loan being authorized is in the

remembered that disregarding the matter of taxation to meet old indebtedness, the first city council was authorized to levy a tax of $22\frac{1}{2}$ mills. Of this nearly half (10 mills) should be used for ward expenses.¹⁶² Now the wards used nearly all their funds for building streets, sidewalks, sewers, and gutters.¹⁶³ In 1846 the council levied a tax of \$6,913.72 to pay the ward debts, \$10,718.27 for general ward purposes, and \$15,774.69 for all the other municipal needs—bridges, schools, poor support, and health, fire, and police departments.¹⁶⁴ Of \$6,167.37 in orders issued by the Second Ward in 1848, all but \$571.32 seems to be charged to street work and kindred lines of improvement.¹⁶⁵ The next year the same ward spent \$5,179.40 for the same purpose,¹⁶⁶ while the First Ward used \$4,444.58.¹⁶⁷ At this rate we should conclude that the city drew that year more than \$20,000 from the general ward funds for the purpose named. In March, 1852, the finance committee found that during the fiscal year 1851 the city had spent about \$30,000 in building streets, sewers, and the like.¹⁶⁸

charter amendments of 1851 (*Laws of Wis.*, 1851, ch. 305); where the aldermen of the Second Ward are permitted to borrow money to use in finishing Chestnut st.

¹⁶² See above under general taxation.

¹⁶³ Other items of ward expenses were night watches, bridge tending, elections, abating nuisances, and assessors' fees.

¹⁶⁴ *Sentinel*, Dec. 17, 1846. (Various sums reported.)

¹⁶⁵ *Ibid.*, Apr. 16, 1849. But a large share of these expenses really belonged to the year before.

¹⁶⁶ *Ibid.*, Apr. 15, 1850:

Grading Chestnut street.....	\$2,248 00
Grading other streets	865 82
Cleaning streets.....	518 64
Street inspectors.....	253 81
Making sidewalks.....	403 77
Engineering	201 55
Sewers	687 72
	\$5,179 40

¹⁶⁷ *Ibid.*, Apr. 24, 1850.

¹⁶⁸ *Free Democrat*, Mar. 6, 1852:

Work on streets.....	\$20,011 43
Surveyors' services.....	1,997 59
Street inspectors.....	1,470 44
Sewers	6,477 34
	\$29,956 80

The above calculations do not take into account such incidental expenses as

These figures, however, tell but part of the story. At almost every legislative session subsequent to 1846, laws were passed authorizing the council or the ward aldermen to levy special assessments to help pay for these improvements.¹⁶⁹ These laws have been discussed elsewhere and need not be further considered at this point. How much revenue was provided in this way can not be determined, but there are reasons for thinking that the larger part of these improvements was paid for by special assessments. The amount of special taxes recorded in the tax lists of 1849 made a far greater total than the general ward taxes.¹⁷⁰ But the significant feature of all this is that at a time when the people of Milwaukee were contributing less than twenty-five cents *per capita* to maintain the public schools, and less than twenty cents *per capita* to keep up a fire department, they were taxing themselves to the extent of nearly four dollars *per capita* for ward expenditures, nearly all of which was for building and maintaining streets, sidewalks, and bridges, or defraying expenses incidental to such improvements.¹⁷¹

D. THE MUNICIPAL DEBT

When the new government was organized in April, 1846, it was surmised that the corporation, or at least some of its wards,

lumber, printing, advertising, etc., as it is impossible to determine to what extent these are incidental to the line of work considered. Nor do the amounts include sums levied in the form of special assessments.

¹⁶⁹ See above under special assessments.

¹⁷⁰ *Sentinel*, Apr. 24, 1850. The figures are as follows:

	First Ward.	Second Ward.
General ward taxes, 1849.....	\$5,219 38	\$3,050 59
Bridge tax, 1849.....	2,609 69	1,525 29
Special taxes:		
Sidewalk tax	3,034 19	4,115 44
Other special taxes.....	1,466 18	500 71
	Third Ward.	Fourth Ward.
General ward and bridge		
tax, 1849	\$9,511 57	\$5,080 80
Special tax, sidewalks.....	11,799 95	1,454 97
Other special taxes.....	7,613 31	956 30
		7,080 76

It should be added that more than half of these taxes were uncollected at the close of the fiscal year; special taxes were particularly hard to collect as the exhibit of the Fifth Ward shows.

¹⁷¹ First Ward, \$2; Second Ward, \$2.50; Third Ward, \$7.25; Fourth Ward, \$1.75; Fifth Ward, \$2.50. Absolute accuracy is not sought.

was in debt; but how great the incumbrance was, no one seemed to know. Mayor Juneau in his inaugural address regretted his inability to inform the council on this matter, and it appears that the city clerk expressed similar regrets later on.¹⁷² The council then proceeded to levy the maximum tax allowed by the charter in the hope that this tax would liquidate the debts.¹⁷³ However, as it was not known whether it would be sufficient or not, it was thought best to fund the debts, and on September 5, an ordinance was passed providing for three or five year bonds at 10 per cent, or for a shorter time and at a lower rate if the evidences of debt should call for earlier payments and a lower rate of interest. The old East Ward debt was to be paid by the First and Third Wards; that of the West Ward by the Second and Fourth.¹⁷⁴ How large the debt of the East Ward was appears from the inaugural of Mayor Wells in 1847, in which he stated that these wards were out of debt or nearly so.¹⁷⁵ As the tax levied the year before to pay this debt was \$3,952.86,¹⁷⁶ that must have been approximately the amount owed by the East Side. The tax levied in the West Wards, \$2,960.86,¹⁷⁷ was evidently not sufficient to cover the indebtedness of that section. Bonds were issued and the proceeds of the levy were used to pay interest and provide a sinking fund.¹⁷⁸ The 10-mill tax for the purpose of meeting this debt was levied every year for the rest of the period and yet the principal does not seem to have suffered any reduction.¹⁷⁹ In April, 1850, the bonded debt of the Second Ward was \$8,230.17, while the sinking fund amounted to but \$565.04.¹⁸⁰ The assessed valuation of the ward was slightly greater than that of the Fourth; hence, it probably had the greater share of this burden, but everything considered it is not probable that the debt of the West Ward was much below \$20,000.¹⁸¹

¹⁷² *Sentinel*, Apr. 11, 1846; *Ibid.*, Dec. 17, 1846.

¹⁷³ *Ibid.*, Dec. 17, 1846.

¹⁷⁴ *Ordinances*, 1848. 32-4.

¹⁷⁵ *Sentinel*, Apr. 16, 1847.

¹⁷⁶ *Ibid.*, Dec. 17, 1846.

¹⁷⁷ *Ibid.*

¹⁷⁸ *Ibid.*, Apr. 16, 1847.

¹⁷⁹ *Ibid.*, Apr. 5, 1849: Inaugural of Mayor Upham.

¹⁸⁰ *Ibid.*, Apr. 15, 1850.

¹⁸¹ It seems probable that not all of this debt was bonded. The 10-mill tax

It was not long before the city (and the wards as well) began to add to this bonded debt. The charter provisions concerning loans made borrowing somewhat difficult. Two-thirds of the taxpayers voting at an election held for that purpose had to give their consent before a loan could be made.¹⁸² But it was comparatively easy, it seems, to get legislative permission whenever the city wished to do something irregular. In 1847 the council was permitted to borrow \$15,000 for school purposes,¹⁸³ a permission it did not make use of before 1849 and 1850.¹⁸⁴ As early as 1848, we find a ten-year bond of \$2,200 in the Fifth Ward.¹⁸⁵ In 1849 the First Ward was authorized to issue bonds to the amount of \$6,000 to raise funds for a market house;¹⁸⁶ two years later the sum was increased to \$8,000.¹⁸⁷ The same law permitted a loan by the Second Ward to pay for the extension of Chestnut street.¹⁸⁸ Bonds to the sum of \$8,000 were issued by the city in the interest of the fire department in 1850 and 1851.¹⁸⁹ Thus we find that at the close of the period under review (1846-1851), the city and all of the wards, with the possible exception of the Third, carried a bonded debt.

In 1849 Milwaukee began the rather questionable practice of lending its credit in aid of railways. From the very beginning the city had realized the need of communication with the West. Mr. Kilbourn and others at one time agitated for a canal from Milwaukee to the Rock river; but the project soon had to be abandoned.¹⁹⁰ The city next turned its attention to railways. In 1847 the Milwaukee and Waukesha Railroad Company

should have netted at least \$13,000 every year, this could not all have been applied on interest even though the rate were 10 per cent. A part of the Second Ward debt (\$537.90) seems to have been paid in 1848. (*Sentinel*, April 16, 1849.)

¹⁸² *Charter of 1846*, sec. 49.

¹⁸³ *Laws of Wis.*, 1847, 32: act of Jan. 25.

¹⁸⁴ *Fourth Annual Report of the School Commissioners*, *Sentinel*, Apr. 1, 1850. By May, 1851, the amount of school bonds had increased to \$24,000. (*Free Democrat*, May 19, 1851.)

¹⁸⁵ *Sentinel*, Apr. 18, 1849.

¹⁸⁶ *Laws of Wis.*, 1849, ch. 155. The law also provided a tax, not exceeding 10 mills for a sinking fund.

¹⁸⁷ *Ibid.*, 1851, ch. 305, sec. 7.

¹⁸⁸ *Ibid.*, sec. 5.

¹⁸⁹ *Free Democrat*, May 19, 1851.

¹⁹⁰ See Lapham, *A Documentary History of the Rock River Canal*, Milwaukee, 1840.

was chartered,¹⁹¹ and two years later the city was authorized to subscribe for stock in the projected road or similarly to assist any other company that would build from Milwaukee to the Mississippi river.¹⁹² The amount was limited to \$100,000, but it might be increased from time to time until it reached \$250,000. Two years later this limit had been almost reached.¹⁹³

This new venture necessitated new loans; but the law authorizing these carefully provided a 10-mill tax (which in a case of emergency might be doubled) to cover the loan.¹⁹⁴ The plan was to distribute the stock held by the city among the taxpayers in proportion to the tax paid. The loans made by the city and the wards also presupposed special taxes (10 mills as a rule) for sinking fund purposes and to provide for the interest. But the municipal debt was also gaining in other quarters where no sinking funds or other safeguards were known and where no limitations were effective. The corporation began its career almost without funds. The charter allowed the council to borrow money in anticipation of taxes¹⁹⁵ but the aldermen preferred not to do so. Instead they drew orders on the various funds which the treasurer would pay if the cash was available; if not, the holder would have to wait until the taxes came in. But as these orders were negotiable, the holders usually converted them into cash immediately, though, of course, nearly always at a discount. Objections were freely raised to this method. The orders served as a sort of depreciated currency of which there were six kinds, one kind issued by the city and five other sorts by the separate wards. Contractors would naturally take this depreciation into account when taking contracts for city work; and as the city some day would have to redeem the orders at their par value this would mean excessive charges for the

¹⁹¹ Buck, *Milwaukee* 3: 169.

¹⁹² *Laws of Wis.*, 1849, ch. 92.

¹⁹³ In 1851 (May) the sum was \$234,000. This subject will be discussed more fully in chapter III.

¹⁹⁴ This tax should have produced \$16,292.97 in 1849 (*Sentinel*, Apr. 24, 1850) but not all seems to have been collected. (*Free Democrat*, May 19, 1851.) A 10-mill tax in 1851 could not have produced more than \$20,000, which at the customary rate would not have paid the interest.

¹⁹⁵ *Charter of 1846*, sec. 49.

work contracted for.¹⁹⁶ But worse than this, the authorities were not always careful in issuing orders. Very often the issue for the year would exceed the estimated revenues.¹⁹⁷ Frequently also, the actual revenues collected, would for various reasons fall considerably below the estimate.¹⁹⁸ The city soon became accustomed to annual deficits; but out of these grew a new floating debt, the discovery of which caused great consternation a few years later.

In 1851 the citizens of Milwaukee had awakened to the fact that a new debt was being created, and they began to wonder about the size of it.¹⁹⁹ The year before Mayor Upham had estimated it at \$40,000.²⁰⁰ It was stated in May, 1851, that the city had then a railway debt of \$234,000; a bonded municipal debt of \$32,000; and carried a floating debt of \$40,953.57.²⁰¹ Whether the ward debts were included in this statement is not clear; apparently they were not. In July Alderman Johnson reported to the council that the city owed \$83,509.10²⁰² According to this report the floating debt was \$51,509.10. Two months later the amount had risen to \$136,727.98, the whole sum for which the city was responsible amounting to \$402,727.98.²⁰³ There was, however, due the city in the form of delinquent taxes, interest and the like, an amount sufficient (if the railway loans were left out of consideration)²⁰⁴ to reduce the indebtedness, bonded and floating, to \$71,364.40.²⁰⁵

¹⁹⁶ *Sentinel*, May 2, 1846. In 1849 this discount was 25 per cent. (*Ibid.*, April 5, 1849.)

¹⁹⁷ At the close of the year 1849 there was a balance against the city of \$2,601.20; at the same time there was an unfavorable balance of \$1,544.19 in the Second Ward and \$2,898.01 in the Fifth. The First Ward showed a favorable balance of \$431.06. (*Ibid.*, Apr. 16, 24, 1849.)

¹⁹⁸ In 1849 taxes were remitted to the amount of \$11,256.53 (*Sentinel*, Apr. 24, 1850: treasurer's report.)

¹⁹⁹ See *Free Democrat*, Apr. 2, 1851.

²⁰⁰ *Sentinel*, Apr. 22, 1850.

²⁰¹ *Free Democrat*, May 19, 1851.

²⁰² *Free Democrat*, Aug. 1, 1851: report of the council, July 31.

²⁰³ *Ibid.*, Oct. 10, 1851: meeting of council Oct. 9. "The entire amount of credits, bonds, etc., outstanding against the city, including \$234,000 of railway bonds, is \$402,727.98."

²⁰⁴ Stock subscribed to by the city was in the main paid for by a bond issue. The railroads agreed to pay the interest on this if the city would forego dividends and other profits, so long as the coupons were being regularly paid. Ordinance of May 18, 1850, *Charter and Ordinances*, 1856.

²⁰⁵ This would mean unpaid dues, mainly uncollected taxes no doubt, amounting to \$97,363.58, an incredible figure.

After six years the first city charter of Milwaukee ceased to be operative. It can not be said that the new form of government had accomplished what the citizens had hoped from it. Some of the municipal needs had been satisfied in part, but others had not. Without a health or police department, without waterworks or a system of sewers, a city of more than 20,000 inhabitants had but little right to boast of intelligent progress. On the other hand, something was being done to provide adequate school accommodations and to strengthen the fire department. The city was fairly well provided with bridges, and had made great progress in street improvement. At the same time taxes were growing continuously, and the municipal debt was increasing year by year. For the larger part of this the bond issues in aid of railways were responsible; but everywhere the question was asked, would these corporations after all pay the interest? As the rates then were, Milwaukee could not pay the interest on a debt of \$400,000 and provide the improvements that the situation demanded. It is then no wonder that the average citizen regarded the financial situation in Milwaukee in 1851 with much dissatisfaction, almost with fear.²⁰⁶

²⁰⁶ The leading conditions that helped to bring about this state of affairs were three in number:

(1) The country was new and the location geographically such as to call for great expenditures. This has been fully discussed in chapter I.

(2) The government was not sufficiently centralized. With six governing centers the matter of expenditures could not be controlled as it should have been.

(3) During these years a strong tide of immigration was setting in from Germany and other European lands. The immediate effect of this was to create a larger city with a larger population, larger needs, and a larger budget. At the same time but little was added to the tax-paying power of the city. The immigrants were poor and remained so for some time; hence the burdens of those who had originally settled the city were increased beyond patience. The fact that so large a part of the population of Milwaukee is not of American origin has profoundly affected the development of the city. It is estimated that perhaps seventy per cent. of the present population of Milwaukee is of German blood.

CHAPTER III

RUINOUS FINANCE: A BANKRUPT CITY: 1852-1860

A. THE CHARTER OF 1852

Milwaukee had lived but four years under the charter of 1846 when her citizens began to yearn for a new municipal constitution. But just what sort of a charter would satisfy the city no one seemed to know. All agreed that the sections relating to finance and taxation needed complete revision, but what changes would be desirable? Some wanted the council to be more narrowly limited in its power to levy taxes; others would remove all limits and trust to the good sense and superior knowledge of the aldermen.¹ That the independence of the wards was the chief source of trouble was generally admitted. The *Free Democrat* spoke of Milwaukee as not a city "but five villages slightly connected together."² However, this same local independence had been a source of great profit to some of the more influential leaders and hence could not be destroyed without something of a struggle.

A charter drawn by Judge A. G. Miller was accepted by the council and approved by the legislature in March, 1851.³ But when it was submitted to a popular vote a month later, it was rejected by a two-thirds majority;⁴ the agitation continued, however.⁵ The plan next suggested and adopted was to have a charter convention held and to let the "people" draft the instrument themselves. Meetings were held in all the wards

¹ See Buck, *Milwaukee*, 3: 226-9.

² *Free Democrat*, Dec. 30, 1850; see *ibid.*, June 4, 1851.

³ *Laws of Wis.*, 1851, ch. 314.

⁴ Buck, *Milwaukee*, 3: 347.

⁵ See the city papers for May and June, 1851.

August 1, and at each meeting three delegates were chosen to represent the ward in the proposed convention.⁶ A few days later this body organized and appointed a sub-committee of five to draft the charter.⁷ The instrument was finished in January and reported to the common council; on February 2, 1852, it was approved by a substantial majority at the polls. The legislature promptly enacted it into law.⁸

The area of Milwaukee in 1852 was but slightly larger than it was six years before.⁹ The new charter continued the old division into five wards. In outline, the form of government devised resembled very much that of the old charter. Still, a number of additions and changes were introduced of which we shall note only the more important.

1. In the matter of elective officials the new charter followed the later amendments to the law of 1846. In addition to the mayor, the aldermen, the constables, and the justices of the peace, the electors were to choose a treasurer, a marshal, a police justice, and an assessor for each ward.¹⁰ The next year the city attorney and the comptroller were also made elective officials, and each ward was allowed to elect a railroad commissioner to look after the interests of the city as a holder of railway stocks.¹¹ The terms of all these officials remained one year, except in the case of the ward justices who held for two years.

2. Of the three aldermen two should be chosen at each election; one for one year and one for two years.¹² This would make the common council a continuous body. The alderman chosen for the two year term was to serve as ward representative on the county board.¹³

⁶ *Free Democrat*, July 11, 1851.

⁷ *Ibid.*, Aug. 5, 1851.

⁸ *Sentinel*, Jan. 19, 1851. Buck, *Milwaukee*, 3: 368-9. The charter was published as *Laws of Wis.*, 1852, ch. 56.

⁹ Some additions had been made during the intervening years north of the boundary of 1846. See *Charter of 1852*, ch. I, sec. 2.

¹⁰ *Ibid.*, ch. II, sec. 2. All other needful officers were to be appointed by the council.

¹¹ *Laws of Wis.*, 1853, ch. 26, secs. 1-3. Apparently the wards could hold no stock, but the number of votes cast by each railroad commissioner was in proportion to the assessed valuation of his ward.

¹² *Charter of 1852*, ch. II, secs. 11-12. At the first election two were to be elected for one year.

¹³ *Ibid.*, ch. II, sec. 15.

3. In some respects the powers of the aldermen were reduced, but again on other sides they were widely extended. The aldermen were still empowered to contract debts for their respective wards, but only to an amount equal to the tax levied for current ward expenses.¹⁴ Such a debt would, of course, be merely in anticipation of the year's taxes and would be a legitimate one. On the other hand, the aldermen were given great power as street commissioners. In this capacity they ordered and contracted for all the work to be done on the streets, in the alleys, on the sidewalks and on the public grounds in their respective wards. Their authority also extended to the gutters, the sewers, the rivers and the wharves.¹⁵ The aldermen were required to report regularly to the council all their doings as street commissioners; but in practice the council had but small control over these matters.¹⁶

4. The importance of the wards as legislative and administrative units was appreciably reduced. A stubborn ward was no longer permitted to veto acts of the council or of the city electorate.¹⁷ The municipal finances were simplified somewhat by the assumption of the ward debts on the part of the city.¹⁸ Still, in levying taxes for the liquidation of these debts, the council had to regard ward boundaries very closely;¹⁹ and the system of ward funds was allowed to exist as before.

5. A new official was introduced into the administrative service, the comptroller. According to the charter he was to be appointed by the council, but the next year (1853) his office was made elective.²⁰ The creation of the comptroller's office was probably the most important new feature in the charter of 1852.

¹⁴ *Ibid.*, ch. V., sec. 7-8.

¹⁵ *Ibid.*, ch. VII.

¹⁶ *Ibid.*, ch. V. The office of street inspector was abolished.

¹⁷ This change had been strongly insisted on before the convention met. In calling the convention, the council referred to the "five independent corporations . . . each . . . possessing the exclusive control or management of all matters relating to said ward." *Free Democrat*, July 11, 1851. See also *ibid.*, June 4, 1851.

¹⁸ *Charter of 1852*, ch. V, sec. 3.

¹⁹ *Ibid.*, sec. 5.

²⁰ See note 11. The chief duties assigned to the comptroller were to watch the city's debt; estimate expenses and revenues necessary for the current year; countersign all city contracts; watch the city taxes; negotiate loans, etc.

We shall have to admit that the new instrument was in many ways an improvement over the old. It was more explicit; it conferred greater power on the municipality; it took a step toward the needed centralization. Its fatal weakness—for it was fatal—lay in the fact that it entrusted the aldermen of the various wards with too great a measure of power. It is true, the charter holds the aldermen personally responsible for all ward expenses in excess of the estimated revenue;²¹ it forbids them to be personally interested in any contract with the city or any of the wards;²² it demands a report to the council of all ward debts contracted for the current year and empowers the council to disallow all accounts that it deems improper.²³ But all these safeguards were equally useless. If an aggrieved citizen ever took an appeal to the council, he usually found that that body was anxious to acquit the alderman. Soon all restrictions appear to have been ignored in all the wards; and when a person as alderman is called on to pass judgment on his own acts as street commissioner, impartial justice is not to be expected.

B. MUNICIPAL REVENUES

1. *General Taxation.* The methods and machinery that were used in assessing, levying, and collecting taxes under the earlier charter were, in general, retained under the new regime. Each ward was permitted to elect its own assessor; but in 1858 this privilege was lost, and the work of assessment was entrusted to a board of three men chosen by the mayor and council.²⁴ The next year the city returned to the old system with a city assessor added.²⁵

In the matter of tax rates the charter made a considerable increase: the city now had a large debt to provide for, hence more money had to be raised for interest and sinking fund

²¹ *Charter of 1852*, ch. V, secs. 7-8.

²² *Ibid.*, ch. III, sec. 12.

²³ *Ibid.*, ch. V.

²⁴ *Laws of Wis. (Local)*, 1858, ch. 117, sec. 36.

²⁵ *Ibid.*, 1859, ch. 172. The city assessor was appointed by the mayor and council.

purposes. A tax of 10 mills was permitted, the proceeds to be applied on the general city debt; also a 10-mill tax on the various wards whose debts had been assumed by the city, each ward to be taxed in proportion to its part of the entire indebtedness assumed. These taxes were to run until all the debts were paid. In addition, the council was authorized to levy a tax of 10 mills for ward purposes and one of $7\frac{1}{2}$ mills to defray current expenses of the city, such as those connected with general administration and health, fire, police and other departments.²⁶ The school tax seems to have remained at the old figure, $2\frac{1}{2}$ mills. It will thus be seen that one-half of all the tax raised by the city could be used to liquidate the city debt; also that the tax rate for municipal purposes was, if anything, slightly lower than that authorized in 1846.²⁷

If this rate had been permitted to remain undisturbed and if there had been no other form of taxation, the citizens of Milwaukee would have had no cause for complaint. But the rate was raised annually, in some wards at least, for the next few years, and this increase together with special assessments on lots brought the total up to an unbearable figure. In 1853 special 10-mill taxes were allowed in the Third²⁸ and Fourth²⁹ Wards and the council was authorized to raise the general ward tax in the Fifth Ward from 10 to 18 mills.³⁰ The next year this increase was permitted in all the wards.³¹ The 18-mill tax was continued in the Fifth Ward in 1855³² and a special 10-mill tax was allowed in the Second.³³ In March, 1856, the council was authorized to levy special 10-mill taxes in all the wards except the Third.³⁴ Later in the year the tax was extended to this ward.³⁵ That year the legal tax rate for municipal pur-

²⁶ *Charter of 1852*, ch. V, secs. 4-6. State and county taxes were, of course, also provided for.

²⁷ The tax rate in 1846 was $22\frac{1}{2}$ mills and 10 mills for the payment of debts; in 1852 the rates were respectively 20 mills and 20 mills.

²⁸ *Laws of Wis. (Local)*, 1853, ch. 342: act of July 6; for market house.

²⁹ *Ibid.*, ch. 322: for public square.

³⁰ *Ibid.*, ch. 325.

³¹ *Ibid.*, 1854, ch. 52.

³² *Ibid.*, 1855: act of March 29 (ch. 284).

³³ *Ibid.*, ch. 264.

³⁴ *Ibid.*, 1856: acts of Feb. 7, and March 19 (ch. 172).

³⁵ *Ibid.*: act of Oct. 6 (ch. 485).

poses seems to have been about 60 mills on the dollar,³⁶ a rate that not only produced revenues, but other results as well. In addition to city and ward taxes, the property owner had to pay tribute to the state and county treasuries, and to pay special assessments on his real estate more or less regularly. It is not surprising, then, that the old well-worn machinery of the mass meeting was again brought into action.

Still, this high tax rate did not at first produce such a great amount of revenue. We have already noted the fact that the assessed valuation was in those days placed at a ridiculously low figure.³⁷ Up to 1857 it had been less than \$3,000,000. That year it was raised to \$6,441,235;³⁸ but according to the state board of equalization it should have been at least \$12,000,000. This, in the opinion of Mayor Cross, would be only one-third of the actual cash value.³⁹

In 1852 the council levied a tax of \$57,331.70 to pay the expenses of the city, the wards, and the schools, and to meet the interest on the public debt. In 1853 the levy was \$64,719.90. The next year it amounted to \$86,203.11. In 1855 the total rose to \$105,800.92 and the following year to \$132,346.83. The city taxes had thus more than doubled in five years, the increase being in part due to the higher tax rate and in part to the rapid growth of the city, the population of which increased by about 80 per cent. in the same period. The next year (1857) the assessed valuation was doubled and the total of the city's taxes (general fund, sinking fund and interest fund, ward funds and school funds) rose at once to the amazing figures of \$325,560.70.⁴⁰

2. *Special Assessments.* At this point it will be well to turn to that other form of taxation which came regularly in the form of street commissioners' certificates. It will be remembered that all street work and related improvements were placed in the hands of the ward aldermen as street commissioners. When-

³⁶ In 1857 the entire tax, state, county, city, and school, was about 70 mills. (Buck, *Milwaukee*, 4: 249.)

³⁷ See ch. II.

³⁸ *Sentinel*, Dec. 7, 1857.

³⁹ *Free Democrat*, Apr. 23, 1857.

⁴⁰ For the statistics given in this paragraph see Buck, *Milwaukee*, 4: 249; *Sentinel*, Jan. 28, 1858.

ever any work of this sort was to be done, these commissioners would have all surveys and estimates made, advertise for bids, make all contracts, supervise the work, and finally pay the contractor or rather authorize him to collect what was due him. He received a certificate stating the amount due and what particular piece of real estate was to pay for the improvements made.⁴¹ The owner would usually pay the certificate on presentation, though at times, no doubt, the contractors had to call on the courts for assistance. In 1852 the issue of these certificates amounted to only \$11,477.98; the next year, however, the sum was nearly four times as large. For every succeeding year there was a considerable increase, until in 1857 the issue shows a total of \$253,762.69.⁴² Added to the regular city tax of that year, this increases the same to \$579,323.39, a tax of thirteen dollars *per capita*.

3. *The Revenue Laws of 1858.* "The enormous tax" of 1857 together with the disclosures that came at the beginning of the next year produced something of a revolution in Milwaukee politics. A "reform" ticket headed by Wm. A. Prentiss carried the day in the March election. A few days later the legislature amended the charter by limiting the general city and ward taxes to \$235,000 yearly.⁴³ Of this sum not more than \$60,000 could be used for ward purposes; a sum sufficient to pay the interest on the public debt should be set aside yearly; of the remainder not more than \$60,000 might be used for general city purposes; and the rest was to be added to the sinking fund. The chief duty of the common council in preparing the budget and levying the taxes in the years following 1857 was to distribute these funds as equitably as possible and to find a tax

⁴¹ *Charter of 1852*, ch. VII. The city was not to be held responsible for any work done at the expense of a lot. Part of all such work, such as surveying, repaving and the like, was, however, regularly chargeable to the ward funds and not to the lot.

⁴² *Sentinel*, Jan. 28, 1858.

1852	.....	\$11,477 98
1853	.....	42,994 61
1854	.....	54,441 03
1855	.....	73,354 22
1856	.....	134,264 66
1857	.....	253,762 69

⁴³ *Laws of Wis. (Local)*, 1858, ch. 117, secs. 35-6.

rate that would produce a sum equal to, but not greater than, the amount allowed by this law. The sum allowed for general city purposes was considerably larger than the amount thus used for any previous year; but the ward allowance was only a little more than half as large as the total of the ward funds in 1857. In 1859 Mayor Prentiss was able to report that the tax levy for the year past (1858) had been \$226,363.66, which was \$77,725.68 less than the levy for 1857 and nearly \$9,000 below the limit fixed by recent legislation.⁴⁴

Other than general and special taxation and special assessments, the city had practically no source of revenue. Though Milwaukee has always had a relatively large number of saloons, the license fee has never been particularly high, and hence revenues from that source have been and still are very moderate. In 1852 the license fee was fixed at \$30.⁴⁵ The next year it was reduced to half that amount.⁴⁶ In 1858 it was placed at \$25.⁴⁷ At that rate this business could not be made a matter of profit to the municipality. It was thought when the police department was organized in 1855 that a considerable revenue might be derived from fines and penalties;⁴⁸ but, as a matter of fact, the sum drawn from these sources does not seem to have exceeded \$4,000 a year.⁴⁹

C. MUNICIPAL EXPENDITURES

1. *Administration.* The chief item that we have to place among the administrative expenses is salaries. There was no city hall in the sense of a separate public building used as official quarters; the government dwelt in rented rooms,—from 1850 to 1857 in the Martin Block, and for the next three years

	1857	1858
⁴⁴ Buck, <i>Milwaukee</i> , 4: 317.		
Old debt interest and sinking funds.....	\$146,216 28	\$116,230 99
General city fund	48,738 79	59,037 96
Ward funds	109,134 27	51,094 71
	\$304,089 34	\$226,363 66

⁴⁵ *Laws of Wis.*, 1852, ch. 56 (*Charter*, ch. IV, sec. 3).

⁴⁶ *Ibid.*, (*Local*), 1853, ch. 170.

⁴⁷ Buck, *Milwaukee*, 4: 266.

⁴⁸ *Free Democrat*, April 16, 1856; inaugural of Mayor Cross.

⁴⁹ *Ibid.*, April 23, 1857.

in the Cross Block.⁵⁰ Moving, as usual, was expensive. Room-rent in the Martin Block ranged from \$325 to \$450 annually; but in 1857 Mayor Cross seems to have charged the city \$2,600 for the rooms occupied. We also find that the comptroller estimates the cost of "finishings" for that year to be \$4,500. These items naturally filled the opposition with great wrath. The critics found the same extravagance in other matters, such as books, printing, and stationery. These expenditures grew from \$588.35 in 1852 to \$7,000 in 1857, a vigorous growth indeed.⁵¹ The Prentiss administration of 1858 reduced them again to \$4,436.62.⁵² But nowhere was the spirit of liberality that came into the council with the new charter more manifest than in the new salary schedules; here the change was immediate. The city clerk who in 1851 had struggled through the year for \$700, was given \$1,500 in 1852.⁵³ The comptroller's salary was fixed at \$2,000. Evidently the prosperity of these men excited envy among their neighbors, for next year the salary attached to each of these offices was reduced \$500 by a legislative act.⁵⁴ At the same time the salaries of the attorney and the marshal were fixed at \$600 and \$800 respectively. But in 1856 the hands of the council are again free and the clerk and the comptroller now receive \$2,500 each, the city attorney, \$2,000; and the chief of police, \$1,500.⁵⁵ The next year the first two named and the treasurer are given \$4,000, while the city attorney is paid \$2,800 and room-rent.⁵⁶ That such salaries at that time were rank extravagance is self-evident. The comptroller's estimate for salaries alone, August 10, 1857, was \$27,000.⁵⁷ In 1859 Mayor Prentiss reported that during 1858 the city had paid only \$8,955.54 in salaries.⁵⁸ The change had come about by a legislative act which forbade the city to pay more than \$2,500 to the treasurer, \$2,000 to the clerk, the comptroller and the police

⁵⁰ *Milwaukee* (1881), 270-1.

⁵¹ The statistics used are from the Albany Hall Report published in the *Sentinel*, Jan. 28, 1858. See also *ibid.*, Dec. 14, 1857, for the comptroller's estimates.

⁵² Buck, *Milwaukee*, 4: 317.

⁵³ *Charter and Ordinances*, 1857, 455-6.

⁵⁴ *Laws of Wis.*, 1853, ch. 26, sec. 10.

⁵⁵ *Free Democrat*, Apr. 25, 1856.

⁵⁶ *Sentinel*, Dec. 19, 1857. The comptroller's salary included clerk hire.

⁵⁷ *Ibid.*, Dec. 14, 1857.

⁵⁸ Buck, *Milwaukee*, 4: 317.

justice, and \$1,600 to the city attorney.⁵⁹ We find that in 1860 the salaries of some of these officials were even below the limit set by the law of 1858.⁶⁰

2. *The Fire Department.* The new charter authorized the council to organize as many fire companies as might be necessary; but no company was to contain more than seventy men.⁶¹ The old privileges were again granted, and in 1857 it was further decreed that active members of the department should be excused from general city taxes on property to the amount of \$1,000.⁶² The firemen were also allowed to nominate all the officers of the department (chief, three assistants, and ten fire wardens, but not the fire commissioner), which nominations the council was expected to confirm.⁶³ There was much dissatisfaction in the fire department in 1852;⁶⁴ but the new liberal spirit of the council soon seems to have beamed on the firemen, for the expenditures of this department gradually rose from \$2,421.41 in 1852 to about \$12,000 in 1857.⁶⁵ In 1858 they were again reduced to \$9,506.49⁶⁶ which was very near the amount spent by this department in 1856. No salaries were paid in the fire service before 1854, when the chief engineer was given \$300, a sum that was raised to \$800 in 1857.⁶⁷ In 1855 the

⁵⁹ *Laws of Wis. (Local)*, 1858, ch. 117. The comptroller and the treasurer may be given clerk hire. The treasurer is no longer allowed percentages on taxes collected. The salary of the police justice is to include the amount he receives from the county. The law allows no other salaried officials.

⁶⁰ *Sentinel*, Apr. 14, 1860. The following table (mainly from Buck, *Milwaukee*, 4: 250) will show the situation as to salaries; no account has been taken of cents. (The marshal's fees for collecting are added to his salary.)

	1852.	1853.	1854.	1855.	1856.	1857.	1860.
Comptroller	\$2,000	\$2,000	\$2,000	\$2,533	\$2,846	\$4,000	\$1,800
Clerk	1,379	1,300	2,126	2,533	4,048	4,000	2,000
Attorney	600	600	760	1,300	2,183	2,800	1,600
City Assessor ...	405	375	1,000	1,000	1,400	2,250	
Treasurer	1,110	767	1,990	3,004	3,627	4,500	
Marshal	800	1,195	913	2,237	865	1,800	

⁶¹ *Charter of 1852*, ch. IX.

⁶² *Laws of Wis. (Local)*, 1857, ch. 266. By a later amendment this exemption was limited to those who had been in the service at least six months.

⁶³ *Charter of 1852*, ch. IX. The council elected the commissioner. See *Sentinel*, Mar. 21, 1855.

⁶⁴ *Free Democrat*, Nov. 18, 20, 1852. The number of firemen in the city in 1854 was 523. (Buck, *Milwaukee*, 4: 28.)

⁶⁵ Buck, *Milwaukee*, 4: 251; Albany Hall Report.

⁶⁶ *Ibid.*, 317.

⁶⁷ *Ibid.*, 250.

foremen of the nine companies each began to draw a salary equal to that of the chief. The charter legislation of 1858 evidently deprived all these officials of their salaries; but the next year the council was authorized to enroll the chief once more among the salaried officials.⁶⁸

3. *Health and Police Departments; Almshouse.* In this period of generous appropriations we hear little of poor support. The only information that I have been able to gather on this subject is that during the first quarter of 1856 the various forms of poor relief cost \$8,393.04.⁶⁹ At this rate the authorities must have spent about \$30,000, for this purpose during the entire year. No effective action was taken toward establishing a board of health. In theory the mayor and council composed such a board; but aside from framing a few rules and appointing a few health officers they appear to have done nothing. The real work of keeping the city clean by enforcing ordinances relating to filthy yards, cesspools, and the like, was left to the police, whose work in this respect was censured quite freely.⁷⁰

It was during these years that Milwaukee organized her police department. The charter assumed the early establishment of such a force, and provided for a regular police court with an elective judge.⁷¹ But the city had to be satisfied with the old watch system for some years yet;⁷² not till September 10, 1855, was the police department formally established. The force, as then planned, was to be composed of a chief and from one to five policemen for each ward. The chief was to be selected by the mayor and council; the patrolmen by the mayor and the chief. The salary of the chief was fixed at \$800 per year; the wages of the men at \$30 per month.⁷³ A little later the chief's salary was raised to \$1,000 and in 1856 to \$1,500; during the same period the wages of the men were increased to \$40 and

⁶⁸ *Ibid.*, 46; *Laws of Wis. (Local)*, 1859, 204.

⁶⁹ *Sentinel*, May 28, 1856.

⁷⁰ *Charter and Ordinances*, 1856, 477 ff.; Conard, *Milwaukee*, 1: 252; *Sentinel* May 24, 1856.

⁷¹ *Charter of 1852*, ch. III, secs. 13-14.

⁷² See *Free Democrat*, Jan. 8, 1852; *ibid.*, Oct. 22, 1853. The demand for a regular police force became very insistent in the winter of 1854 and 1855. (*Sentinel*, Jan. 6, 1855.) On the duties of the marshal see *Charter and Ordinances*, 1856, 486.

⁷³ *Charter and Ordinances*, 1856, 402-5.

(in 1856) \$50 per month.⁷⁴ By the charter amendment of 1858, the city was forbidden to pay the chief more than \$2,000 or the men more than \$600 per year.⁷⁵ The same law limited the force to twenty-five men and gave their appointment to the chief.

As Milwaukee had no police force in 1852, the charter continued the marshal's office and joined to it certain specific duties, such as collecting license fees and fines.⁷⁶ After 1855, however, the marshal was superfluous; but as a charter official he could not be deprived of his functions. It was finally determined to give him the wages and duties of a policeman with the extra duties described in the charter, for which he was allowed to collect certain fees. He was also to act as official messenger of the council and the school board, for which he was paid \$200.⁷⁷ The office thus remained a somewhat profitable one; but in 1859 it was abolished and the marshal's functions passed to the chief of police. The same year the police court passed out of existence and its place was taken by a municipal court.⁷⁸

The police department was organized with a chief and eleven policemen.⁷⁹ The expense of the department for the first year was \$3,195.10; for the second, \$13,543.12.⁸⁰ The great difference is to be accounted for in part by the fact that the department was in existence only part of the year 1855 (it was organized in October), and by an increase in the force to twenty-one men in 1856.⁸¹ The expenditures in 1858 were a trifle less, i. e., \$12,211.64.⁸²

4. *Bridges and Harbor.* Under the new charter, bridge "tending" and bridge repairs became chargeable to the general city fund instead of to the ward funds. Nevertheless, throughout this period new bridges were built and paid for by the wards most interested, though nearly always by legislative permission.⁸³

⁷⁴ *Ibid.*, 406: ordinance of Oct. 1, 1855; *Free Democrat*, Apr. 25, 1856.

⁷⁵ *Laws of Wis. (Local)*, 1858, ch. 117, sec. 38.

⁷⁶ *Charter of 1852*, ch. III, sec. 7.

⁷⁷ *Charter and Ordinances*, 1856, 486-7.

⁷⁸ *Laws of Wis. (Local)*; 1858, chs. 117, 199.

⁷⁹ This is the number found Apr. 2, 1856; *Free Democrat*, Apr. 16, 1856.

⁸⁰ *Comptrollers' Reports*.

⁸¹ *Sentinel*, Apr. 29, 1856.

⁸² *Buck, Milwaukee*, 4: 317.

⁸³ See *Charter of 1852*, ch. X, sec. 12; *Laws of Wis. (Local)*, 1853, ch. 191.

As the building and rebuilding were charged to the ward funds (or rather to bridge funds raised mainly by the various wards), we can form no intelligent estimate of what the yearly outlay for such work was. Four new bridges were authorized in the years 1852-1855,⁸⁴ and an ordinance of 1856 provides for a bond issue of \$15,000 for bridge construction.⁸⁵ The new structures were doubtless an improvement on the old type and cost a great deal more.⁸⁶ The total amount paid out of the bridge funds in the four years 1853-1856 seems to have been about \$40,000. I infer that this was used in building and rebuilding bridges.⁸⁷

In 1852 the law recognized four and in 1854 six bridges that were to be maintained by the municipality;⁸⁸ three years later there were eight. In 1855 a superintendent of bridges was appointed at a salary of \$400.⁸⁹ As the number of bridges grew, the cost of tending and repairing them also increased. The expense of bridge tending, which was only \$568.38 in 1853, rose to \$2,152.63 in 1858. Only \$1,236.67 was used for repairs in 1853, but three years later the expense was \$6,514.47. In 1858 it had fallen to \$5,591.46.⁹⁰ In the matter of bridge expense as in everything else, the banner year was 1857. The Albany Hall committee estimated the cost of tending and repairing for that year to be \$18,000.⁹¹ No doubt much mismanagement could be found in this as in other lines; but we must remember that the bridges built in the previous decade were cheap structures that doubtless needed frequent repairs.

The earlier efforts of the citizens of Milwaukee to interest the federal government in harbor improvements at Straight Cut have been discussed in the preceding chapters. We have also

⁸⁴ *Charter of 1852*, ch. X; *Laws of Wis. (Local)*, 1853, ch. 191; *Charter and Ordinances*, 1856, 172.

⁸⁵ *Charter and Ordinances*, 1856, 490.

⁸⁶ The cost of two bridges built in 1854 was \$11,500. (Buck, *Milwaukee*, 4: 17.)

⁸⁷ The two bridges built in the spring of 1857 were no doubt paid for out of these funds. See *Free Democrat*, Apr. 23, 1857. For the yearly expense see Table I.

⁸⁸ *Charter of 1852*, ch. X; *Charter and Ordinances*, 1856, 153-5.

⁸⁹ *Charter and Ordinances*, 1856, 485-6.

⁹⁰ See the *Comptrollers' Reports* for those years; Table I.

⁹¹ Buck, *Milwaukee*, 4: 251. The work of this committee will be discussed later in this chapter.

seen that at times there existed a strong sentiment in favor of independent action on the part of the city in this matter. Had it not been for the great interest in railways that developed in 1847 and 1848, Milwaukee would probably have undertaken to construct a harbor in those years.⁹² The project demanded work along three principal lines: a channel had to be cut from the river to the lake; at the channel entrance two long piers had to be built out into the lake to prevent the formation of a sand bar; the river would have to be dredged. In 1853 the city secured authority to issue 7 per cent. bonds to the amount of \$50,000, running from ten to twenty years, for harbor improvement if the voters should agree to it.⁹³ The issue was made the next year,⁹⁴ the funds were secured, and a contract was entered into with Captain "Abe" Hawley whose bid seems to have been \$48,900.⁹⁵ The work was begun, but the progress was slow, and after having received \$21,000⁹⁶ from the city, the contractor concluded that he could not finish the undertaking and desired permission to assign the contract to C. D. Barton, who offered to complete the work for \$59,000.⁹⁷ It had been hoped that the federal government would assist in the work, but it was found that the plans adopted were such that no appropriation could be secured.⁹⁸ Soon after Colonel Barton undertook the contract, the city abandoned the original plans and adopted those of the federal government.⁹⁹ A year later the contractor died, and the administrators assigned the work to I. A. Hasbrouck,¹⁰⁰ by whom it was completed toward the close of 1857.¹⁰¹

Apparently no one in the city had a clear conception of what

⁹² See *Sentinel*, June and July, 1847.

⁹³ *Laws of Wis. (Local)*, 1853, ch. 171.

⁹⁴ *Charter and Ordinances*, 1856, 366-7. The same day the council passed an ordinance for the issue of \$50,000 in dredging bonds.

⁹⁵ *Free Democrat*, May 8, 1854. This was for three of the four sections of the work; the fourth was undertaken for \$30,000.

⁹⁶ *Ibid.*, June 11, 1855. The editor states that the work done was worth only \$5,000, but as Mr. Hawley's bondsmen were gone the city was without recourse.

⁹⁷ *Ibid.* According to Mayor Cross this sum included the \$21,000 paid to Hawley. (*Ibid.*, Apr. 16, 1856.)

⁹⁸ *Ibid.*, June 19, 1855.

⁹⁹ *Ibid.*, Apr. 16, 1856.

¹⁰⁰ *Milwaukee* (1881), 452.

¹⁰¹ *Sentinel*, Dec. 18, 1857. It was to have been finished in 1855. (*Free Democrat*, Apr. 16, 1856.)

the work was likely to cost. A committee appointed to study the subject reported in 1847 that the entire expense would be \$11,412.25.¹⁰² But after the work had been begun, it was seen that even \$50,000 would not approximate the cost. In March, 1856, the legislature permitted an additional issue of harbor bonds amounting to \$50,000;¹⁰³ in October permission was granted to issue \$40,000 more.¹⁰⁴ The next year the council was invested with power to issue bonds to any amount necessary to pay for the harbor, but taxes must be levied accordingly.¹⁰⁵ When the plans were changed, the contract, at least as far as the price was concerned, was abandoned. After that date the city paid for each particular part of the work according to the estimates of the city engineer. This official had believed that the work could be finished for \$117,330.37. But there seems to have been work done on which no definite estimate had been put, and when Mr. Hasbrouck's bill appeared it amounted to \$184,274.33. The city having already paid \$108,000, the unpaid sum was \$76,274.33. The joint committee on harbor and finance favored paying the bill; but the administration could come to no agreement with the contractor as to the value of the harbor bonds. The authorities felt that they ought to be worth 80 per cent., while Mr. Hasbrouck rated them lower.¹⁰⁶

The new administration was of the reform type and looked suspiciously upon the whole matter of harbor construction. The contractors finally took the matter into the courts. After twelve years of litigation, judgment was awarded the plaintiff, granting him not only the sum sued for but also an additional amount of \$124,615.24 as accrued interest, extra charges for materials, etc.¹⁰⁷ The cost of the harbor when the litigation was concluded was \$445,971.20.¹⁰⁸ This, of course, includes expenditures for a good deal of work not included in the original con-

¹⁰² *Sentinel*, July 10, 1847.

¹⁰³ *Laws of Wis. (Local)*, 1856, ch. 145.

¹⁰⁴ *Ibid.*, ch. 485.

¹⁰⁵ *Ibid.*, 1857, ch. 66.

¹⁰⁶ The above account is summarized from the report of the joint committee on harbor and finance to the council, Jan. 25, 1858 (*Sentinel*, Jan. 27, 1858) and the Albany Hall Report (*ibid.*, Jan. 28, 1858).

¹⁰⁷ *Milwaukee* (1881), 453.

¹⁰⁸ *Ibid.*

tract. It is Buck's opinion that the work could have been finished in 1854 and 1855 for \$65,000.¹⁰⁹ At last in 1857 Milwaukee had a harbor and a most excellent one, but the cost had been great.

5. *Streets.* Enough has been said elsewhere, particularly under the head of special taxation, to indicate that this was a great age in street building. A long series of ordinances were passed fixing the grades in almost every part of the city;¹¹⁰ streets were opened up; old and new streets were graded and graveled; and a beginning was made with pavement. Some idea of the amount of work done can be gotten from a study of the table headed street commissioner's certificates in the Albany Hall Report.¹¹¹

This shows that only a very limited amount of work was done in 1852, but the next year shows a great issue of certificates in all the wards except those in the northern part of the city. The amount grows yearly until it reaches \$134,264.66 in 1856 and \$253,762.69 in 1857. In the year last named the new Seventh Ward (middle East Side) issued street commissioner's certificates to the amount of \$69,695.72. It is possible that this district had been neglected, as the First Ward from which it had been set off did not enter zealously into street construction in those years. In round numbers these certificates issued during the five years 1853-1857 make a sum of \$570,000. If we add the ward funds aggregating about \$320,000 we have a total of nearly \$900,000 which was used almost exclusively for highway purposes. Of this amount nearly \$375,000 was levied in one year. At this time Milwaukee had a population of 44,000,¹¹² largely composed of immigrants recently from abroad, whose ability to pay taxes was, as yet, extremely small.

It is to be feared that these funds were not always wisely or even honestly disbursed. The Albany Hall Report accuses the street commissioners of using their functions in the interests of their friends and of themselves as owners of real estate. Work

¹⁰⁹ Buck, *Milwaukee*, 2: 141; cf. *ibid.*, 4: 258-9.

¹¹⁰ *Charter and Ordinances*, 1856, *passim*.

¹¹¹ *Sentinel*, Jan. 28, 1857; Buck, *Milwaukee*, 4: 246 ff.

¹¹² Buck gives the population as 20,061 in 1850 and 44,004 in 1857. *Milwaukee*, 4: 101, 240.

was done where none was needed in order that someone might have a job. Streets were opened up and improved in order that property owned by some alderman might increase in value. Prices are said to have varied on adjoining streets to a surprising extent: from 50 cents per yard to \$1.70. And there is much more of the same sort.¹¹³

6. *Schools.* In the matter of school administration the new charter made no change. The actual management of the schools remained with the commissioners, while the council levied taxes, bought sites, and provided buildings. Most of the time these two bodies acted together in the most friendly fashion. The five school-buildings that Milwaukee had yearned for in the previous period were all completed in 1852; but not until a loan of \$4,000 had been authorized for that purpose.¹¹⁴ But a city growing as Milwaukee did during the fifties could not long be satisfied with school accommodations for 1,200 pupils. In 1852 Milwaukee had 6,463 children of school age; in 1857 there were 11,870.¹¹⁵ Four new wards were created in 1856 and 1857.¹¹⁶ This meant a demand for four new school houses.¹¹⁷ A law was passed in March, 1856, authorizing the council to build two new school houses; to pay the expense with a 7 per cent. bond issue; to levy a 5-mill tax to provide for the bonds, to fix district boundaries, and to levy all the tax necessary to carry on public education.¹¹⁸ It will be seen that this removed all limits to expenditures on this side. The council could now establish as many schools as it liked and support them as magnificently as might be desired.

Bonds were soon issued to the amount of \$18,000 for the two sites, and \$25,000 for additions and repairs.¹¹⁹ It seems strange

¹¹³ It is also Buck's opinion that some of the contracts let in 1856 and 1857 were notoriously dishonest. See *Milwaukee*, 4:142, 195, 222 ff.

¹¹⁴ *Charter of 1852*, ch. X, sec. 25.

¹¹⁵ Buck, *Milwaukee*, 3: 407; *Sentinel*, July 10, 1858.

¹¹⁶ *Laws of Wis. (Local)*, 1856, chs. 54, 507.

¹¹⁷ Buck speaks of six good brick school houses (*Milwaukee*, 4:28). Evidently the old building in the Fifth Ward was still in use. Rented rooms were again being used (*Ibid.*, 194).

¹¹⁸ *Laws of Wis. (Local)*, 1856: act of March 19. The buildings were to be in the Second and Seventh Wards. The division of the Second Ward had thrown the school house into the new Sixth.

¹¹⁹ *Charter and Ordinances*, 1856, 387-9.

that buildings seven or eight years old at most should need extensive repairs, but it was reported in 1857 that these repairs would cost \$29,000 and that the new buildings contracted for would cost about \$31,000.¹²⁰ As the buildings then in use had been put up for a little more than \$4,000 each, sites included,¹²¹ the tax payers naturally became alarmed. It was stated at the Albany Hall meeting that the Seventh Ward building would cost \$44,000 instead of \$31,000.¹²² For the two sites \$12,000 was finally paid.¹²³ Much of the expense of repairing was doubtless needed; the schools had to be enlarged; one of the buildings was entirely rebuilt, which was probably an unnecessary expense. But it seems probable that the extensive grading on the school-house grounds was a better investment than the investigating committee thought.

The school board did something to make accounts look large, but for the greater part of the period its record is fair. The number of teachers grew from twenty-three in 1852 to sixty in 1860, an increase that is hardly more than normal. Salaries ranged from \$200 to \$500 in 1852; eight years later from \$300 to \$800.¹²⁴ In 1857 the highest salary paid to a teacher (school principal) was \$850,¹²⁵ not a great amount at a time when city officers were drawing as much as \$4,500 yearly. The total expenditures of the school board in 1853-1854 were \$9,394.63,¹²⁶ the average attendance of the year was 1,858. In 1857-1858 the entire account was \$23,408.¹²⁷ The only thing at all strange about the increase is the item of incidental expenses which had grown from \$1,578.60 to \$5,482.13 in four years. We have no figures for 1858, but J. S. Buck states on the authority of one of the commissioners that the cost of operating the schools in 1859 was

¹²⁰ *Free Democrat*, April 23, 1857: mayor's inaugural.

¹²¹ The Albany Hall committee estimated the cost of the old school buildings at \$26,000.

¹²² Albany Hall Report.

¹²³ *Free Democrat*, Apr. 22, 1852. Buck, *Milwaukee*, 2: 385. The number of teachers employed seems remarkably small—one for every 1,000 people in 1852. The present ratio is about one for every 300.

¹²⁴ *Ibid.*

¹²⁵ *Free Democrat*, Apr. 16, 1857.

¹²⁶ Buck, *Milwaukee*, 4: 27-8.

¹²⁷ *Sentinel*, July 10, 1858.

nearly \$70,000. It was reduced in 1860 to \$32,000.¹²⁸ That year 7,694 children attended the public schools.¹²⁹ Under present conditions it would cost nearly \$200,000 per year to educate the same number of pupils.

Trouble finally broke out between the board and the council. In 1858 the city's credit was at an ebb so low that school orders sold at fifty cents on the dollar.¹³⁰ In view of this fact, the board increased the salaries of the whole teaching force about 15 per cent. to make good this discount.¹³¹ The board also found it necessary to pay higher prices for fuel and other supplies. But for the following two years the council refused to levy the tax needed to operate the schools according to the estimates of the board; hence, the orders again fell in value. From time to time it was proposed to close the schools, but nothing was done until May, 1860, when the board actually did close the schools until such a time as the council should vote the necessary supplies.¹³² The council in the meantime "voted twenty-five thousand dollars for the ensuing year which, with the state fund, amounted to thirty-two thousand dollars."¹³³ Salaries were now again reduced to earlier levels as has been stated above.

D. THE MUNICIPAL DEBT

1. *The Bonded Debt.* During this period the city debt becomes a matter of unusual interest. The new charter permitted the issue of bonds to pay the ward debts assumed by the city,¹³⁴

¹²⁸ Buck, *Milwaukee*, 4:385 ff. The author intimates that the board had been guilty of a great deal of grafting. The item for wood for the year was 1,100 cords. He further states that the city did not receive what it had bought and when the matter was finally rectified the schools had fuel for two years instead of one.

¹²⁹ *Milwaukee* (1881), 542. This would mean 128 pupils to the teacher.

¹³⁰ Buck, *Milwaukee*, 4:385, 387.

¹³¹ The salaries in 1858 ranged from \$350 to \$1,000. The high school principal received \$1,500.

¹³² The high school departments remained closed.

¹³³ This paragraph is summarized from Conard, *Milwaukee*, 1: 131-2; chapter on schools by Augustus J. Rogers: cf. Buck, *Milwaukee*, 4:358 ff.; *Sentinel*, July 10, 1858.

¹³⁴ *Charter of 1852*, ch. V, sec. 3. By a later act of the same year, March 24, (*Laws of Wis. (Local)*, 1852, ch. 154) the city was allowed to borrow enough money to pay what was still owing in state and county taxes. See also *ibid.*, ch. 235.

and by special enactments from time to time the legislature allowed further additions to the debt to raise funds for municipal improvements. The wards were also permitted to form debts for various purposes, such as building bridges and market houses, and providing public squares.¹³⁵ The various ventures of the city, such as the establishment of a police department, the building of school houses, the strengthening of the fire department by purchasing new apparatus and building new engine houses and especially the construction of the new harbor, had been matters of considerable expense. In addition to this, by following out a too liberal policy of loaning its credit to railways, the city soon became involved in an enormous guaranteed debt of which we shall speak later.

In 1851 the bonded debt of the city amounted to only \$32,000, incurred in behalf of the schools and the fire department.¹³⁶ Two years later the same had grown to \$177,550, an increase due mainly to the assumption of the ward debts and also to the funding of the floating debt of 1852.¹³⁷ Between 1853 and 1855 the only bonds issued were for harbor purposes, \$21,000 to Abel Hawley.¹³⁸ A small sum was added in 1856,¹³⁹ but in the year that followed, December 17, 1856, to December 1, 1857, the city issued bonds to the amount of \$482,000.¹⁴⁰ At the beginning of 1858, the bonded debt was nearly \$700,000.¹⁴¹ These new issues were for various purposes. When the debt was funded in 1852, the policy of short time (five years) bonds was adopted. In 1857 these had to be taken up and for \$111,700 in 10 per cent. bonds with a year's interest the city exchanged \$165,000 in 7 per cent. bonds to run twenty years.¹⁴² At that rate the discount must have been about 30 per cent. The school

¹³⁵ *Charter and Ordinances*, 1856, 335 ff. *Laws of Wis. (Local)*, 1855, ch. 73; 1856, ch. 17.

¹³⁶ *Free Democrat*, May 19, 1851.

¹³⁷ *Ibid.*

¹³⁸ The bonded debt in 1855 was \$208,550. (*Ibid.*, Feb. 14, 1855.)

¹³⁹ The figures in Aug., 1856, were \$212,850. (*Sentinel*, Dec. 11, 1857.)

¹⁴⁰ *Ibid.*

¹⁴¹ This should be reduced to \$650,000, as \$50,000 of the bonds was issued as collateral to secure a loan. (*Sentinel*, Dec. 11, 1857.)

¹⁴² *Free Democrat*, Apr. 23, 1857.

debt had also increased as well as the expenses for the harbor improvements, dredging, and the like.¹⁴³

2. *The Floating Debt.* During these years Milwaukee was not prompt in the payment of bills. The interest on the debt was not regularly met; city orders for work or salaries were not paid when presented; claims and judgments were ignored. The difficulty was that the expenditures were allowed to exceed the income. Consequently, a new floating debt was growing up of which the citizens were in general only vaguely aware. Mayor Cross in his inaugural in 1857 hinted that this debt would soon have to be reckoned with, and blamed the street commissioners for its existence.¹⁴⁴ These officials could spend money unrestrained by the mayor (as if that particular mayor ever had been much of a restraining influence). The truth about this debt did not come out before the end of the year, when the comptroller's report was published; in this it was estimated at \$223,000.09.¹⁴⁵ This added to the bonded debt (the bonds issued as collaterals being deducted) would give a total of \$867,850. It seems likely that to this should be added ward debts amounting to \$73,094.68, in which case the amount would exceed \$900,000.

Up to 1856, no effort had been made to reduce the bonded indebtedness; in fact it had been permitted to grow through default of interest payments. That year the comptroller called attention to the fact that the charter required a tax on all property, not to exceed 10 mills, to be applied on the debt. Such a tax had not been levied in any year.¹⁴⁶ In October of that year a new law was passed enabling the city to create a sinking

¹⁴³ *Sentinel*, Dec. 14, 1857.

Funded debt	\$197,000
Harbor	159,000
Schools	175,000
Dredging	50,000
Bridges	50,000
Fire loan	11,850
First and Second Wards	1,900
Collateral	50,000
	\$694,750

¹⁴⁴ *Free Democrat*, Apr. 23, 1857.

¹⁴⁵ *Sentinel*, Dec. 14, 1857.

¹⁴⁶ *Free Democrat*, Oct. 25, 1855.

fund.¹⁴⁷ The council was to make an annual tax levy large enough to retire 5 per cent. of the entire debt. The city was further authorized to fund the floating indebtedness by issuing 7 per cent. bonds running for a term of twenty years. Taxes were levied as the law required (a 5-mill tax only in 1857),¹⁴⁸ and some bonds were issued under the new act;¹⁴⁹ but the remedy came too late. The finances of Milwaukee remained in their tangled condition till the passage of the readjustment act of 1861.

3. *The Railway Debt.* There still remains to be considered a third form of indebtedness, the guaranteed railway debt. Two facts will explain the city's liberality toward railway corporations: a majority of the citizens were honestly convinced that Milwaukee must have railroads or lose her commercial importance; a great many of the leading business men were interested in railway projects and naturally sought financial assistance from the city. But the old plan of investing in railway stocks was soon abandoned; instead, the scheme was advanced to issue bonds in the interest of the corporation to be assisted, on condition that the railway company should pay all the interest as it became due, and the principal at the end of the term for which the bond was issued.¹⁵⁰ Heavy securities were to be required in every case. In 1852 and 1853 the public seems to have been in a frenzy over railroads. Meetings were held and elections were called to legalize bond issues that the council was eagerly waiting to authorize;¹⁵¹ in every case the majorities for the loan were overwhelming.¹⁵² Ordinances for the issue of

¹⁴⁷ *Laws of Wis. (Local)*, 1856, ch. 507.

¹⁴⁸ *Sentinel*, Nov. 9, 1857.

¹⁴⁹ *Free Democrat*, Apr. 23, 1857; see also Buck, *Milwaukee*, 4: 245; *Sentinel*, Jan. 7, 1858.

¹⁵⁰ An act permitting this was passed June 12, 1853. (*Laws of Wis. (Local)*, 1853, ch. 244.) Not more than \$200,000 could be issued in the interest of any road, nor more than \$600,000 in the aggregate; later the aggregate was raised to \$1,000,000 (*ibid.*, ch. 380).

¹⁵¹ See the local newspapers for these years.

¹⁵² A few instances may be cited as illustrations.

	For the loan.	Against the loan.
1852, Sept. 10.....	1148	29
1853, June 23.....	1340	16
1857, Aug. 4.....	1410	123

such bonds to the amount of \$800,000 were passed in 1853.¹⁵³ The next legislative session kindly raised the limit of loans to any one road to \$300,000, and the aggregate to \$1,500,000.¹⁵⁴

It is evident that such an amount of securities could not be thrown on the market without injuring the city's credit. In 1854 some of these bonds sold in Wall Street at 70 cents,¹⁵⁵ nevertheless, new issues followed. The next year the amount that had actually been delivered was \$828,000.¹⁵⁶ In 1856 the legislature raised the limit to \$2,000,000.¹⁵⁷ That year some opposition to further loans developed, as the amount issued was already \$1,384,000.¹⁵⁸ Mayor Cross used his influence and even his veto against proposed issues, but in vain.¹⁵⁹ In 1858 the aggregate had finally risen to \$1,614,000,¹⁶⁰ at which figure it finally stopped.

Milwaukee was now in the ridiculous position of a city with a debt of nearly \$2,500,000 and an assessed valuation of only about \$6,000,000. For a time it seemed that a considerable share of the guaranteed debt would fall to the city to pay. During the years 1857 to 1859 several of the roads failed to pay the interest on the bonds received.¹⁶¹ In the end, however, all the bonds were paid by the corporations responsible except two issues of \$100,000 each, which after prolonged litigation the city had to redeem, the principal and accrued interest at the time of redemption amounting to more than \$400,000.

E. THE ALBANY HALL MOVEMENT—CHARTER AMENDMENTS

During these years the municipal credit was uniformly low. When Cicero Comstock, the first comptroller, took charge in 1852, "city orders were held at 50 cents on the dollar and . . . the greatest confusion pervaded the city's finances."¹⁶² Mr. Com-

¹⁵³ *Charter and Ordinances*, 1856, 349-87. Not all was delivered.

¹⁵⁴ *Laws of Wis. (Local)*, 1854, ch. 265.

¹⁵⁵ *Free Democrat*, Sept. 19, 1854.

¹⁵⁶ *Ibid.*, Feb. 14, 1855.

¹⁵⁷ *Laws of Wis. (Local)*, 1856, ch. 164.

¹⁵⁸ *Free Democrat*, Apr. 16, 1856.

¹⁵⁹ *Sentinel*, May 13 and June 18, 1856.

¹⁶⁰ *Buck, Milwaukee*, 4: 318.

¹⁶¹ *Ibid.*, 306.

¹⁶² *Sentinel*, Apr. 15, 1859.

stock served for two years and served well. In spite of the fact that the city discredited its own orders by refusing to receive them in payment of taxes,¹⁶³ the comptroller was able to restore the parity, and soon bonds began to sell at a premium.¹⁶⁴ But now the city began to subsidize railways to the great injury of its credit, as we have already seen.

Politically, Milwaukee was in those days a democratic stronghold; only at times of great popular dissatisfaction was the ticket of the Jackson men likely to be defeated, and then only by using some attractive or colorless party name, such as "Citizens," or "People's" ticket. But in this historic decade democracy was being rent in twain by the great struggle over slavery. In Milwaukee as elsewhere, the factions fought with the result that a set of men got control of the party and of the municipal administration who apparently cared little for the strife in Kansas, but much for grading and graveling streets.¹⁶⁵

Byron Kilbourn was chosen mayor in 1854, and with him the new regime may be said to have begun, though its control was most in evidence during the following three years when James B. Cross was mayor. During Kilbourn's administration the harbor was being built and various other improvements were in progress; consequently higher taxation was necessary. It was at this time that the government was beginning to remove the charter limits to taxation by means of legislative enactments.¹⁶⁶

Mayor Cross took charge of affairs in 1855. To what extent he is to be held responsible for the deplorable situation three years later, it is difficult to say. In his day he was charged with both incompetency and dishonesty,¹⁶⁷ and it is hard to acquit him of the former charge. Part of the time he had the assistance of a dishonest comptroller, and in the council were a set of men, vigorous and ambitious politicians, that even a stronger executive would find it hard to control.¹⁶⁸ To complete the picture we

¹⁶³ *Charter of 1852*, ch. V, sec. 2. Except those issued in payment of special taxes and improvements. The law applied to earlier orders only.

¹⁶⁴ *Free Democrat*, Mar. 9, 1853; *Sentinel*, Apr. 5, 1859.

¹⁶⁵ See Buck, *Milwaukee*, 4: 29 passim.

¹⁶⁶ Discussed under taxation.

¹⁶⁷ See Albany Hall Report: *Sentinel*, Jan. 28, 1858.

¹⁶⁸ The leader among these was Jackson Hadley. See characterization in Buck, *Milwaukee*, 4: 253 ff.

should state that the city clerk was later indicted by the grand jury for forgery, embezzlement, and conspiracy.¹⁶⁹ In his public utterances the mayor was always plausible: economy is the keynote of all his inaugurals. We shall have to credit him with at least two laudable purposes: he was sincerely anxious, it seems, to put a stop to the practice of aiding railways, and he was also in favor of raising the assessed valuation to a more reasonable figure. But we can not excuse him for trying to act as the financial agent of the city, nor for trying to derive profit from his office by renting part of his business block for government offices.¹⁷⁰

Disregarding the mayor's counsels, the aldermen in 1855 at once plunged into the work of improving the city. For the next three years, Milwaukee was governed by the heads of the council committees: the remaining aldermen spent their time and energies as street commissioners.¹⁷¹ At the same time the law seems to have been violated on many points. It was the current belief that some of the aldermen were secretly interested in contracts.¹⁷² The charter provision holding the aldermen responsible in case the ward revenues were exceeded was not enforced.¹⁷³ The council neglected to levy a sinking fund till 1857.¹⁷⁴ The five-year bonds of 1852 matured in that year, and to pay them, as well as the interest for the year, new bonds were issued, some of them, we are told, selling at 50 cents on the dollar.¹⁷⁵ Owing to this great discount, all the new undertakings which had to be paid with bonds became exceedingly expensive. Meanwhile taxes increased from a total of \$80,000 in 1854 to \$312,000 in 1857.¹⁷⁶

¹⁶⁹ The crimes charged were probably not committed during the Cross administration. For one thing the clerk was accused of having changed an order for \$2 to one for \$250. It was alleged that the comptroller often had to be bribed into countersigning contracts. R. B. Lynch, the clerk, was finally released from jail on condition that he should enter the army. The comptroller, Mr. Gardiner, was never tried. Buck hints that political influence was exercised in his favor. See *Milwaukee*, 4: 374-5; also newspapers for February, March, and April, 1860.

¹⁷⁰ See Albany Hall Report.

¹⁷¹ *Ibid.*

¹⁷² *Sentinel*, Mar. 21, 1856.

¹⁷³ *Free Democrat*, Apr. 23, 1857.

¹⁷⁴ *Ibid.*, Oct. 25, 1855.

¹⁷⁵ *Ibid.*, Apr. 23, 1857; Buck, *Milwaukee*, 4: 189.

¹⁷⁶ Albany Hall Report. The figures do not include school, state, and county taxes and the tax commissioners' certificates.

In addition to levying unpopular taxes, the council committed the inexcusable blunder of exempting the Newhall House from all city and ward taxes for 1856 and 1857.¹⁷⁷ As all were not satisfied that these taxes were legal, the matter was taken into the courts, where the levies for these years were declared to be void. The city appealed to the legislature; and in 1860 an act was passed for a complete reassessment of the taxes for those years. The time for payment was extended to September 1, 1860. Those who had already paid these taxes were credited with such sums and interest on the same for part of the time.¹⁷⁸ The taxes for 1858 were also illegally levied and had to be reassessed.¹⁷⁹ The effect of having the taxes for three consecutive years declared illegal can readily be imagined.

As if these troubles were not sufficient, the "panic of 1857" came with hard times and falling values. Possibly because of this panic, some of the railway corporations failed to meet the interest on the guaranteed loans and Milwaukee securities fell. In December the tax levy for the year (1857) was made public. Almost immediately a taxpayers' meeting was called for December 17 at Albany Hall.¹⁸⁰ At this meeting a self-appointed committee gave those present some insight into the finances of the city, especially on the side of the debt. Resolutions were passed demanding a reduction of the tax just levied, or at least that no effort should be made to collect it before the legislature could be appealed to for relief. The meeting also demanded the repeal of all laws authorizing bond issues, and the reenactment of laws limiting the taxing power of the council. A committee of representative citizens was appointed to investigate the finances of the city and to report when ready. On January 12 the report was read;¹⁸¹ this is the Albany Hall Report, one of our leading sources in the preparation of this chapter. At the next municipal election a reform ticket headed by Alderman Prentiss

¹⁷⁷ *Charter and Ordinances*, 1856: ordinance of Mar. 22, 1856; *Sentinel*, Apr. 3, 1860.

¹⁷⁸ *Laws of Wis. (Local)*, 1860, ch. 301.

¹⁷⁹ *Ibid.*, 1859, ch. 18.

¹⁸⁰ See newspapers for December, 1857, and January, 1858.

¹⁸¹ *Sentinel*, Jan. 28, 1858.

swept the city, carrying every ward but one. Of the old council only eight members were able to save their seats.¹⁸²

In the meantime, the legislature was striving to save the situation by amending the charter. Finally an act was agreed upon, passed, and approved March 27, 1858, the most important provisions of which were the following:¹⁸³

1. The constitution of the common council was radically changed by the adoption of a two-chamber system. The aldermen formerly elected for one year were formed into an upper house or Board of Aldermen, while those chosen for two years were to constitute a Board of Councilors. These two boards met alternately, the mayor presiding over both.¹⁸⁴ The device was a cumbrous one, but it delayed legislation and in that respect served a useful purpose.

2. The members of the common council lost their authority as street commissioners. This was transferred to a board of three commissioners (one from each of the three sides), of whom one was to be designated by the mayor and council as acting commissioner. The acts of the board were to be carefully supervised by the comptroller and the council;¹⁸⁵ but by an act of the next year the new board was abolished and the two ward councilors were made street commissioners with the alderman acting as umpire.¹⁸⁶

3. The amount of revenue that could be raised each year for city purposes was limited to \$175,000. Of this sum enough was to be set apart to pay the interest on the debt; of the remainder not more than \$60,000 could be used for general city purposes; the residue was to go into the sinking fund. The total ward taxes were also limited to \$60,000, but in no case should the tax in any ward exceed the comptroller's estimates for that ward.¹⁸⁷ The amendment also abolished several offices and fixed a maximum for salaries.¹⁸⁸

¹⁸² See Buck, *Milwaukee*, 4: 260 ff. The reform forces remained in power one year only.

¹⁸³ *Laws of Wis. (Local)*, 1858, ch. 117.

¹⁸⁴ *Ibid.*, secs. 48-58.

¹⁸⁵ *Laws of Wis. (Local)*, 1858, ch. 117, secs. 1-23.

¹⁸⁶ *Ibid.*, 1859, ch. 172.

¹⁸⁷ *Ibid.*, 1858, ch. 117, sec. 35. Special taxes were still allowed.

¹⁸⁸ *Ibid.*, secs. 38, 44.

4. The sinking fund was to be managed by the mayor, the comptroller, and the treasurer. The council was authorized to fund the debts contracted before April 6, 1858, by issuing ten-year bonds at 10 per cent. These bonds, however, were not to be sold or exchanged for old bonds at less than their par value. That no further debt might be contracted, all laws permitting bond issues were repealed.¹⁸⁹ The funding provision proved of no value: Milwaukee securities in those days could not be sold at par.¹⁹⁰

That same year a convention assembled to draft a new charter. The document agreed upon was presented to the people the following February and rejected. The great problem had come to be how to shake off the municipal debt. This problem the proposed charter did not solve to the satisfaction of the majority; some even thought that it hinted at repudiation. The charge was baseless, but the electors did not want an instrument that was vague on this important point.¹⁹¹

¹⁸⁹ *Ibid.*, secs. 33-4.

¹⁹⁰ See the report of Mayor Prentiss; *Sentinel*, Jan. 8, 1859.

¹⁹¹ On this subject see Buck, *Milwaukee*, 4: 301 ff; *Sentinel*, Aug. 3, 1858; *ibid.*, Jan. 11, 1859.

CHAPTER IV

READJUSTMENT: 1861-1870

A. THE READJUSTMENT ACT

1. *The Situation in 1860.* The two years following the publication of the Albany Hall Report brought but small change in the financial situation of Milwaukee. An honest effort was made to economize in municipal expenditures; committees were appointed to investigate charges of plunder and graft (and it may be added that the search was not in vain); plans were discussed and new laws were secured; but the debt remained at the same high figure, increasing rather than decreasing. The fiscal year 1860 began with no funds in the treasury¹ and city orders selling at a heavy discount.² In March, 1861, "Citizen" writing in the *Sentinel* summed up the state of affairs as follows: "That we are in debt—deeply in debt—that we can not nor do not pay the laborer that grades a street or cleans a gutter, the teachers of our schools nor our city officers that direct our unfortunate government—these are facts open as the day to every one that chooses to read them."³

It was finally determined to appoint a committee of prominent citizens and members of the council whose duty it should be to study the situation and formulate a plan by which the city's credit might be restored. August 1, 1860, this committee published its report, and a doleful document it was. The committee found that, disregarding the demands of the debt and special taxes, the city had to raise \$280,000 annually, a sum that would

¹ Buck, *Milwaukee*, 4: 373-7, 393 ff.; *Sentinel*, 1860, *passim*.

² *City Docs.*, 1861-62, 24 (Comptr. Rep.); *ibid.*, 1862-63: inaugural of Mayor O'Neill.

³ *Sentinel*, Mar. 27, 1861.

probably prove inadequate. It was also found that the municipal debt was \$2,825,850, the annual interest on which would amount to \$195,100. This added to the sum mentioned above with other necessary expenditures to be provided for would call for a total tax of \$606,375, which on a valuation of \$12,000,000 would mean a levy of 50 mills. To this would be added special assessments and taxes for retiring the debt. The conclusion reached was that no such taxes could be levied, and that, as matters then stood, Milwaukee could not pay her debt. The only hope was that some of the railway companies would pay the bonds issued in their favor; but the committee was evidently not hopeful.⁴

At the same time the report warned the creditors that to insist on their claims might endanger them. The courts had already declared a number of the bond issues void, and it was, after all, difficult to say how far the city could be legally held, though from a moral viewpoint the claims might be good. There was also the danger that unless certain precautionary measures were taken a future extravagant government might bring on a more complete ruin.⁵

The committee believed the city should have more time in which to pay the indebtedness, and therefore recommended that all evidences of debt be exchanged for long time bonds—thirty years was the period suggested. A reduction of the interest rate would also be necessary. A part of the plan was that the city should pledge itself to issue no other bonds before the readjustment issue should have been reduced to half a million dollars. The committee also favored a compulsory tax levy for interest and sinking fund purposes, and a separate board to control these funds and to have charge of all matters connected with this debt.⁶

In December the joint committee published another statement, in which a more hopeful view of the situation was presented. As matters had improved a great deal with regard to the guaranteed debt, it was suggested that this part of the indebtedness be omitted entirely from the plan of readjust-

⁴ *Report of the Joint Committee on the Corporate Debt* (pamphlet), 1-3.

⁵ *Ibid.*, 4 ff.

⁶ *Ibid.*

ment.⁷ The committee had by this time put its suggestions into the form of a bill which was promptly accepted by the common council and became a law the following March.⁸

2. *The Readjustment Act.* The law provided for the issue of a new set of bonds, afterwards known as readjustment bonds, to run for thirty years and to draw interest at the rate of 5 per cent. except for the first five years when the rate was to be only 4 per cent. These were to be exchanged for the old bonds and other evidences of debt. To retire the funded debt an issue of \$825,000 of these bonds was authorized; to fund and retire the floating debt, not more than \$325,000 could be issued. The bonds were to be numbered; they were to show clearly what they were issued for and were to be put to no other use; and they were to represent sums of \$500 or \$1,000.⁹

For all bonds, notes, orders, or any other form of indebtedness bearing 7 per cent. interest, these securities were to be exchanged at par. In case the paper to be taken up called for 10 per cent., the principal might be increased sufficiently to cover the difference in interest. To facilitate the exchange, scrip might be issued for all sums less than \$500. This scrip bore interest at the rate of 4 per cent., and any one in possession of an amount equal to \$500 might have the same exchanged for bonds. It was evidently the intention to retire the scrip as fast as possible.¹⁰

The whole matter of readjustment was entrusted to a board of three members to be called the Public Debt Commission.¹¹ The commissioners were to be appointed by the mayor and council for a term of three years, one appointment being made each year. No salary or other compensation was connected with the office. The commission was to execute its functions in the comptroller's office, that official acting as clerk.¹²

⁷ *Second Report of the Joint Committee.* The belief was expressed that the corporations would be willing and able to pay this part of the debt (7 ff).

⁸ *Laws of Wis.*, 1861, ch. 87: approved Mar. 19. The railway debt was not included in the plan of adjustment (sec. 1).

⁹ *Ibid.*, secs. 1-3.

¹⁰ *Ibid.*, sec. 3; see also ordinance of May 1, 1861.

¹¹ This commission has become a permanent part of the government of Milwaukee.

¹² *Laws of Wis.*, 1861, ch. 87, secs. 5-7. The commission was not to be abolished while any of these bonds still existed.

To provide for the regular payment of interest and the gradual retirement of these bonds, the council was ordered to levy a tax sufficient to pay the interest on the entire issue each year and a sinking fund tax of 5 mills during the years 1861-1865, after which period the rate was to be doubled. It was made the duty of the public debt commission to inform the council each year as to the amount required. In case the council should fail to levy the tax, the commission was authorized to do so, and if this body should also prove delinquent, the tax might be levied by the courts. Further to secure the creditors, it was enacted that the city should form no new debt of any sort before the amount of outstanding readjustment bonds should be reduced to \$500,000.¹³

The intention was to cancel, if possible, 5 per cent. of these bonds each year. After proper notice the commission was to meet to consider offers of bonds for retirement. The lowest offers were to be accepted first, but no offer at rates above par were to be considered. If the bonds offered and accepted did not amount to the desired fraction, the commission was to proceed to retire a sufficient number by lot.¹⁴

3. *The Process of Readjustment.* The board was appointed in April and proceeded at once to the task.¹⁵ On May 10, 1861, the commissioners addressed a circular to the creditors of the city explaining the purpose of the new law and declaring their readiness to carry out its measures. It was evidently feared that the creditors would not take kindly to the reduction of interest from 7 to 4 and 5 per cent., for the circular carefully notes the fact "that the aggregate consideration received by the city for her outstanding indebtedness does not exceed sixty percentum of par value." The inference is that the commission thought the terms of the law quite liberal. June 1 was fixed upon as the date when the readjustment was to begin. Interest on the old debt would be computed to that date and would then cease. Holders who delayed in the matter of exchange for new bonds and scrip would lose their interest after that date.¹⁶

¹³ *Ibid.*, secs. 4, 6-7. The commission was to have exclusive control of these funds. All excess in the interest fund was to go into the sinking fund.

¹⁴ *Ibid.*, sec. 10.

¹⁵ *City Docs.*, 1861-62, 25 (Comptr. Rep.).

¹⁶ *Circular of the Public Debt Commission* (pamphlet).

When the commission took charge, the debt to be arranged for amounted to \$1,110,471.73. Of this sum \$475,000 might be classed as floating indebtedness.¹⁷ This was made up of comptrollers' notes executed for temporary loans, outstanding orders of various kinds, judgments, unpaid interest and the like, and proved something of a problem to the commissioners;¹⁸ still, their efforts were to such an extent successful that in eight months they had exchanged \$66,342.10 of this debt for readjustment bonds. In the same period the bonded debt had been readjusted to the amount of \$627,208.13.¹⁹ In 1863 (March), the comptroller reported that the readjustment had been successful. More than four-fifths of the old bonds had by that time been exchanged for readjustment bonds and scrip.²⁰

The process of retiring the floating debt was aided materially by the reassessment of the illegal taxes of 1856 and 1857. A large part of these had never been paid, and it will be remembered that in 1860 the legislature ordered a reassessment. The city seems, however, to have been somewhat tardy in this matter, and the command was repeated in 1861, and again in 1862.²¹ In the latter year the assessment was actually made, and the taxes were collected. As interest at the rate of 7 per cent. was charged on delinquent taxes, the revenues of the city received a considerable increase. Old city orders and warrants were receivable for these same taxes, and in this way a large part of the floating debt was cancelled.²²

In 1865 the comptroller reported that the commission had issued about \$860,000 in bonds and scrip, and that the work was still continuing.²³ The next year it was announced that the readjustment was nearly finished, claims to the amount of

¹⁷ As those in authority do not seem to have agreed on what the term floating meant, I have taken the figures of the joint committee and subtracted the bonded and railway debts from the total.

¹⁸ *City Docs.*, 1861-62, 24 ff. (Comptr. Rep.).

¹⁹ *Ibid.*, 25.

²⁰ *Ibid.*, 1862-63, 24 ff. (Comptr. Rep.). The aggregate of readjustment bonds and scrip issued up to Mar. 23, 1863, was \$830,645.81.

²¹ *Laws of Wis.*, 1861, ch. 168; *ibid.* (*Local*), 1862, ch. 395.

²² *City Docs.*, 1862-63, 25. (Comptr. Rep.) Other delinquent taxes from before 1861 were applied in the same way.

²³ *Ibid.*, 1864-65, 25: bonds, \$852,500; scrip, \$8,384.96.

\$35,000 having been adjusted in the past twelve months.²⁴ In 1867 there remained a bonded debt of \$47,000 and a floating debt of \$13,500 that had not yet been arranged for.²⁵ These sums had been reduced to \$38,000 and \$10,000 respectively in 1869.²⁶ During the nine years ending April, 1870, the commission had issued readjustment bonds and scrip to the amount of \$992,870.15.²⁷

It was also the duty of this body to retire bonds from time to time. In 1862 the commissioners retired \$19,000 of the readjusted debt.²⁸ During the next four years, an average of about \$25,000 was cancelled yearly.²⁹ Up to 1866 the sinking fund levy was only 5 mills; the next year it was doubled,³⁰ and consequently the amount retired yearly shows an increase. In 1869 the commissioners cancelled bonds and scrip to the amount of \$44,078.87.³¹ In addition to these reductions, considerable payments had been made on the floating debt by reassessing the illegal taxes of 1857 and 1858.³² But in November, 1865, there came an unfortunate addition to the municipal burden in the form of a judgment for \$140,907.11 rendered in favor of the harbor contractors.³³ As there was no law authorizing the levy of taxes to pay such a debt, the "Hasbrouck judgment" remained unpaid for several years, the interest in the meantime adding an appreciable amount to the original principal. Finally in 1869, the city was permitted to levy a tax of \$30,000 to be applied on this debt, and to levy an equal sum each year until the judgment should be paid.³⁴ Next year this was changed, and Milwaukee was allowed to pay the remainder (\$153,978.90) in three equal yearly installments.³⁵

4. *The Guaranteed Debt.* During these same years another

²⁴ *Ibid.*, 1865-66, 33. (Comptr. Rep.)

²⁵ *Ibid.*, 1866-67, 10-11. (Inaugural of Mayor O'Neill.)

²⁶ *Ibid.*, 1868-69, 54-5. (Comptr. Rep.)

²⁷ *Ibid.*, 1869-70, 151. (Comptr. Rep.)

²⁸ *Ibid.*, 1862-63, 10. (Inaugural of Mayor O'Neill.)

²⁹ See the Comptrollers' Reports for these years.

³⁰ See *Readjustment Act*, sec. 4.

³¹ *City Docs.*, 1869-70, 46. (Comptr. Rep.)

³² See above, note 22.

³³ For an account of this litigation, see Milwaukee newspapers for October and November, 1865.

³⁴ *Laws of Wis. (Local)*, 1869, ch. 432.

³⁵ *Ibid.*, 1870, ch. 190.

burden was gradually being lifted from the shoulders of the anxious city. It will be remembered that in 1858 the loans to railways had reached a total of \$1,614,000; that in 1858 and 1859 several roads failed to pay the interest on loans made in their favor; and that in its first report the joint committee expressed a fear that the city would ultimately have to pay the larger part of the railway debt. But the large crops of 1860 brought a great increase to the transportation business, and the railroad corporations soon found themselves able to meet their obligations.³⁶ As early as December, 1860, matters began to take on a more favorable aspect.³⁷ During the earlier months of 1861, negotiations were carried on with the Milwaukee and Mississippi Railway Company, looking toward a complete settlement of all financial affairs in which the city and the railway corporation were jointly interested.³⁸ To facilitate the settlement, the public debt commission was given authority to dispose of all the railway stock held by the city.³⁹ Mayor Brown, in his inaugural address of that year, reported that proceedings to foreclose the mortgage held against one of the roads had been discontinued, as most of the arrearages of interest had been paid. Some of the securities held were thought good, but some were valueless, and some had been lost through earlier neglect.⁴⁰ It was the mayor's opinion, however, that the losses in any event would be small. In his valedictory (1862) he was able to say that "of the \$534,000 owing on account of the Milwaukee and Mississippi Railroad Company" bonds amounting to \$412,000 had been cancelled during the year.⁴¹ Only the bonds issued to the Milwaukee and Horicon Company (\$166,000) now gave any uneasiness.⁴² The situation with regard to the Milwaukee and Superior bonds (\$100,000) was also somewhat uncertain; Mayor Brown declared that the company had sold them under fraudulent circumstances, and that in a few cases only was the city morally obliged to pay them. Legally there was no obligation, as they

³⁶ *Second Report of the Joint Committee on the Corporate Debt*, 7.

³⁷ *Second Report of the Joint Committee on the Corporate Debt*, 7.

³⁸ *Sentinel*, Mar. 27, 1861.

³⁹ *Laws of Wis.*, 1861, ch. 80.

⁴⁰ *City Docs.*, 1861-62, 5-6.

⁴¹ *Ibid.*, 16.

⁴² *Ibid.*, The Horicon bonds were nearly all paid in 1863. (*Ibid.*, 1863-64, 5).

had been held void by a federal court. With respect to the Milwaukee and Beloit bonds (also an issue of \$100,000), the situation was very much the same.⁴³ After 1863 the railway debt does not seem to have given the city much anxiety. By April, 1866, \$890,500 of these bonds had been cancelled.⁴⁴ There still remained \$723,500 outstanding, near which figure this debt remained for several years.⁴⁵ All these bonds were amply secured, except those issued to the Beloit and Superior companies. In time these became a source of much bitterness to the city.⁴⁶

B. ADMINISTRATIVE CHANGES

In this decade certain important changes were made in the machinery of government. We shall note these briefly.

1. A public debt commission was established to carry on the work of readjustment. The composition and duties of this board have already been discussed. This commission has proved a valuable addition to the government of Milwaukee.

2. In 1866 the legislature provided for a sewerage commission of three members to be chosen by popular election.⁴⁷ The act creating this board was soon repealed, however, and the commission went out of existence. A sewerage board, provided for in a law of 1869, met a similar fate.⁴⁸ A year later its functions were given to the new board of public works.

3. A very important legislative act was one of April 11, 1867, authorizing the appointment of a board of health. This board was to be composed of five members chosen by the mayor.⁴⁹ The board was invested with considerable power which it exercised through a health officer of its own appointment. "From this time dates the sanitary improvement of Milwaukee. The new board immediately went systematically to work to examine and

⁴³ *Ibid.*, 1861-62, 7-8.

⁴⁴ *City Docs.*, 1865-66, 14.

⁴⁵ It was reduced to \$719,000 in 1867-68. (*Ibid.*, 1867-68, 45.)

⁴⁶ After long litigation the bonds were finally declared legal and valid. They were characterized by Mayor Ludington in his inaugural address, April 21, 1874, as "an unjust oppression bequeathed us by the criminal recklessness of the past."

⁴⁷ *Laws of Wis. (Local)*, 1866, ch. 401.

⁴⁸ *Ibid.*, 1869, ch. 399. This was also a board of three, but the selection was given to the mayor.

⁴⁹ *Laws of Wis. (Local)*, 1867, ch. 595.

abate all nuisances, and for the first time the slaughter houses of the city were placed under sanitary regulations."⁵⁰ Except in years when epidemics had to be fought, the expenditures of the health department were for some time after its organization exceedingly moderate: in 1869 the total was only \$993.75, the principal item of which was the health officer's salary—\$600.⁵¹

4. The board of public works dates from 1869. The establishment of a commission which was to have general control of public buildings, streets, sewers, sidewalks, bridges, wharves, and the like in all parts of the city was a step so radical that it was thought best to have the law submitted to a referendum before it should become effective. The board was to be an appointive body of three members; their positions were salaried, the maximum salary permitted being \$1,800.⁵² It was feared by many that this was going to be an expensive board; but the advantage of having the public works supervised and directed from some central point was evident to all, and the law was approved by a large majority.⁵³ At the same time the city surveyor was retired to give place for a city engineer.

5. The question how to secure equitable assessments has always been an interesting one in Milwaukee. It was long thought that the prevailing dissatisfaction with results might be removed by a change in the mode of appointing assessors; and with amusing regularity the city would change from appointment by the council to election by the wards, then again to the appointive method, and so on. During most of the period reviewed in this chapter, each ward had its own assessor, the whole force being under the direction of a city assessor. In 1869 this official gave place to a tax commissioner appointed for three years by the mayor and council. At the same time the city was divided into five assessment districts, each having one assessor appointed by the mayor and council on recommendation of the tax commissioner. The assessors and the commissioner were to constitute

⁵⁰ *Milwaukee*, (1881), 402.

⁵¹ *City Docs.*, 1869-70, 35.

⁵² *Laws of Wis. (Local)*, 1869, ch. 401.

⁵³ See the local newspapers for April, 1869. The law became effective May 1, 1869.

a board of assessors, the tax commissioner presiding. The leading duty of the commissioner was to keep a record of all taxable property in the city and the value of the same, the object being to secure as complete assessments as possible.⁵⁴

6. During this decade the office of the mayor was steadily growing in importance. In 1861 it was enacted that the mayor's veto should stand unless overruled by a two-thirds vote in each house in the common council.⁵⁵ As the older departments grew in importance and number of officials and as new boards were being organized, the mayor acquired great influence from the use of his nominating power. In 1868 the council was allowed to pay the mayor a salary not to exceed \$2,000;⁵⁶ this permission was, however, withdrawn by repeal two years later.⁵⁷

7. At the same time power was as steadily passing away from the council. By the creation of new executive departments, its authority was diminished on every side. After 1870, the members of the council were no longer street commissioners, that office having been abolished. The wards also had by this time lost their old significance, partly because of frequent subdivision, and in part also because the new generation was interested in the city as a unit rather than in some section that had by this time lost the marks of a distinctive region. After 1870 Milwaukee was a city.

C. MUNICIPAL REVENUES

On the subject of revenues, this decade presents very little of any particular interest. The charter amendments of 1858 limited the amount of tax that could be levied for city and ward purposes to \$120,000, of which one-half was to be spent in the interest of the city and the other half for ward uses. This was at a time when the cost of living was low and the finances of the city were on a gold basis. Soon came the war with high prices and depreciated greenbacks—what was considered inadequate in 1858 became doubly insufficient five years later. Still, the limit

⁵⁴ *Laws of Wis. (Local)*, 1869, ch. 299.

⁵⁵ *Ibid.*, 1861, ch. 292.

⁵⁶ *Ibid.*, 1868, ch. 373.

⁵⁷ *Ibid.*, 1870, ch. 208.

was allowed to stand; but the policy was adopted of asking legislative permission each year to increase the levy somewhat and to create special funds when necessary, as, for instance, when the city needed a new school house or bridge.

1. *The General Funds.* Apparently no increase was permitted in the regular funds before 1863 when, because of expenses in the fire department, the general city fund was increased to \$70,000, but for that year only.⁵⁸ In 1865 it was raised to \$80,000. The ward funds, on the other hand, were further restricted by the proviso that in no ward should the ward tax exceed \$10,000 or the tax rate exceed 7½ mills.⁵⁹ For the next two years, the annual amount allowed the general fund was \$100,000.⁶⁰ In 1868, 1869, and 1870, the levies might be increased to \$107,000,⁶¹ \$120,000,⁶² and \$130,000,⁶³ respectively. The general city fund also had certain other resources, particularly fees and license money, though the income from neither was very great. The license receipts for 1865 were only \$12,925; the next legislature permitted the council to issue licenses to a number of trades and businesses; advantage was taken of this and for the year 1866 the sum collected from this source was \$18,655.66.⁶⁴ These fees and fines, together with favorable balances, increased the available funds considerably beyond the sum raised yearly by taxation. In 1869, the resources of the fund were \$22,000 more than the tax levied; in 1870 the available total was \$185,079.44.⁶⁵ When we remember that this fund had to meet all the expenses of maintaining the city government in its various departments, this sum seems a very moderate one. The ward funds were also able to maintain a comfortable balance during part of this period, though only \$60,000 could be raised yearly by taxation. These funds in 1867 contained \$84,292.45 and in 1870, \$109,191.19.⁶⁶

⁵⁸ *Laws of Wis.*, 1863, ch. 115.

⁵⁹ *Ibid.*, 1865, 283.

⁶⁰ *Ibid.* (*Local*), 1866, ch. 268; *City Docs.*, 1866-67, 11.

⁶¹ *Laws of Wis. (Local)*, 1868, ch. 215.

⁶² *Ibid.*, 1869, ch. 432.

⁶³ *Ibid.*, 1870, ch. 190.

⁶⁴ *City Docs.*, 1866-67, 26; *Laws of Wis. (Local)*, 1866, ch. 268.

⁶⁵ See the comptrollers' reports in the *City Documents* for those years.

⁶⁶ *Ibid.*

2. *Special Funds.* In this scheme of city funds and ward funds, there was no place for new undertakings; these had to come in as specials. As stated above, the legislature preferred to deal with each particular need as it arose. So carefully did the lawmakers at Madison guard the Milwaukee treasury, that they even fixed the maximum cost of the public works permitted. The period of special funds began with 1864 when small amounts were allowed for dredging and bridge building.⁶⁷ An important special tax of the next year was the volunteers' fund (\$119,000) authorized by popular vote, February 14, 1865, for assistance to those who volunteered their services in the closing months of the Civil War.⁶⁸ Special taxes for bridges and dredging were again authorized in 1866.⁶⁹ The special taxes levied on the city as a whole in 1867 amounted to \$123,000.⁷⁰ This does not include special levies in the various wards, particularly on the South Side. The larger part of these extra taxes was for schools and bridges, though the fire department had its share and something was set aside for dredging. In 1868 the special city taxes authorized made a total of \$114,800, nearly twice as much as the regular ward tax and more than the regular city tax.⁷¹ It is clear that the limits to taxation fixed so inexorably in 1858 had been removed. That same year the city, oblivious to all recent experience, voted to assist the Omro and Oshkosh railroad with \$25,000. The road, however, was never built and the tax collected was used in the payment of debts.⁷² During the next two years acts levying special taxes were passed quite freely. I have noted sixteen laws providing for special levies in some part of the city during these years (1869 and 1870) in addition to the special taxes levied on the city as a whole for such general improvements as dredging and bridge building. The special taxes of the latter description authorized for 1870 make a total of about \$140,000.⁷³

⁶⁷ *Laws of Wis.*, 1864, ch. 260: \$10,000 for dredging; \$9,000 for bridges.

⁶⁸ *Ibid.*, 1865, chs. 14, 260, 466. These taxes were not easily collected, it seems.

⁶⁹ *City Docs.*, 1865-66, 15. See also *Laws of Wis. (Local)*, 1866, ch. 364.

⁷⁰ *City Docs.*, 1866-67, 11.

⁷¹ *City Docs.*, 1867-68, 110.

⁷² *Laws of Wis. (Local)*, 1869, ch. 432.

⁷³ *Ibid.*, 1870, ch. 190.

The special levies in the wards also made a considerable amount. In 1869 the sum permitted was \$39,500.⁷⁴

3. *The Tax Rate.* We see repeatedly in the documents of the period, that taxes were complained of as being "heavy." Still, as a rule, they seem to have been paid promptly and fully.⁷⁵ Even the reassessed taxes of 1857 and 1858 were finally collected without any mentionable difficulties.⁷⁶ It may be worth while to examine the taxes for certain years to determine, if possible, how far the tax payers were justified in complaining. In 1863 the maximum that could be levied for city and ward purposes was \$130,000; the readjusted debt would probably call for \$75,000 more for interest and sinking fund; the schools would demand about \$40,400. This would give a total of \$245,000 on an assessed valuation of about \$13,500,000 and a tax rate of a little more than 18 mills. To this would be added a county tax of nearly 9 mills, giving a rate of 27 mills; in addition there would be state and county taxes to pay, which some years were quite heavy.⁷⁷ But the tax for municipal, debt, and school purposes could hardly have exceeded 18 or 19 mills on a valuation that was confessedly low.

In 1869 the council levied a tax of almost exactly \$730,000. A small part of this fell on certain wards only, but these sums are not large enough to affect our calculations seriously. Of this tax \$300,000 was for state and county purposes; the remainder for the use of the city, the wards, the schools, and for the demands of the public debt. On the assessed valuation of the time (\$43,000,000) this is only about 10 mills.⁷⁸ The tax is nearly twice that of 1863; but when we consider the growth in population and ability to pay, there is nothing remarkable about the increase. Judged by the standards of the decade before, this is not a heavy tribute. But we should remember that the street commissioners were no longer so active as they were in 1856 and 1857.

⁷⁴ *City Docs.*, 1868-69, 9.

⁷⁵ *Ibid.*, 1863-64, 4-5.

⁷⁶ *Ibid.*, 1861-62, 15; *ibid.*, 1863-64, 18.

⁷⁷ In 1866 the state tax was \$100,000; in 1867, \$475,000. (*City Docs.*, 1866-67 15.)

⁷⁸ But as the valuation was according to new standards, the rate would be equivalent to about 25 mil's as compared with the earlier rate.

The joint committee on the public debt estimated the assessed valuation in 1860 at \$12,000,000. From this figure it slowly rose till it reached \$15,717,971 in 1867. The next year a stringent law was passed ordering assessments at full value, and the valuation at once leaped to \$39,263,352. The next year saw an increase of more than \$4,000,000. In 1870 the total stood at \$44,038,597.66, which amount no doubt approximated real values somewhat closely.⁷⁹

D. MUNICIPAL EXPENDITURES

1. *General Policy.* The mayors of Milwaukee have always been in the habit of urging economy, though, as a rule, general terms only are employed. But Mayor Brown, who came to the office in 1861, had definite ideas on the subject: he favored reduction of the police force and lower wages for the men, economy in the fire department and in the school board, less pay to the men on the bridges, and lower salaries for the city officials.⁸⁰ The situation certainly demanded rigid economy. For a number of years Milwaukee had not been able to meet expenses.⁸¹ To remove certain temptations, a law was secured forbidding the erection of a new bridge, unless a majority of the voters should give their consent at an election, and also forbidding the purchase or improvement of ground for public squares and markets.⁸² Salaries were reduced as the mayor wished, and his policy with regard to the police department was also carried out.⁸³ For a year or two, the efforts to keep down expenses were successful (the outbreak of the war assisted in this), but soon the authorities were compelled to relent and expenditures began to increase.

The increase first appeared in the fire department. In 1862

⁷⁹ See *City Docs.*, 1872-73. These calculations do not take into account special assessments on lots to pay for local improvements, only such taxes (including special taxes) as were levied by the council in connection with the regular budget.

⁸⁰ *City Docs.*, 1861-62, 9.

⁸¹ *Ibid.*, 8.

⁸² *Laws of Wis.*, 1861, ch. 95.

⁸³ *Sentinel*, Apr. 13, 1861. The clerk lost \$400, the attorney \$200, and several of the other officials \$100 each; in the police department salaries and wages were also reduced.

the city was authorized to purchase a steam fire engine;⁸⁴ but to invest in apparatus that required the attention of an engineer meant that the department would have to be transformed, as the men would now have to be paid. The engine was bought the next year.⁸⁵ In 1865 it was necessary to increase the police department, and the next year the growing population called for more schools.⁸⁶ Beginning with 1864, the city spent annually about \$10,000 for dredging, an expense that was to little purpose, as the property owners neglected to dredge in front of their lots.⁸⁷ In 1865 the city voted to raise a volunteer bounty fund of \$119,000 to be used in aiding soldiers (and the families of soldiers) who had enlisted subsequent to December 19, 1864.⁸⁸ In the spring of that same year five bridges were destroyed. Not only were these replaced, but new ones were built, so that at the close of the period the city had twelve new bridges. A health department was formed in 1867, but it did not for some years prove an appreciable charge. Two years later its disbursements amounted to less than \$1,000.⁸⁹ In addition to the ordinary expenditures of the fire department in 1867, the city spent \$21,000 for apparatus and improvements. For school house sites, \$35,000 was used; for bridge construction (new bridges and old debts), \$66,000.⁹⁰ A system of fire alarm and police telegraph was installed in 1868 and 1869 at a cost of \$13,000.⁹¹ Toward the close of the decade, the expenditures for sewers became an important matter. The disbursements of the sewerage fund in 1870 were \$75,424.55.⁹² The total expenditures of the city (the expenses of the school board and the interest on the public debt not included) for 1870 as reported by the comptroller were \$621,343.95.⁹³ Four years earlier the amount was \$305,081.42.⁹⁴

⁸⁴ *Laws of Wis.*, 1862, ch. 308.

⁸⁵ *City Docs.*, 1863-64, 6.

⁸⁶ *Ibid.*, 1865-66, 29 ff; *ibid.*, 1866-67, 13.

⁸⁷ *City Docs.*, 1867-68, 16.

⁸⁸ *Laws of Wis.*, 1865, ch. 14.

⁸⁹ See above: administrative changes.

⁹⁰ *City Docs.*, 1867-68, 40-1.

⁹¹ *Ibid.*, 1868-69, 50.

⁹² *Ibid.*, 1870-71, 24. (Comptr. Rep.)

⁹³ *Ibid.* This includes the first installment on the Hasbrouck judgment.

⁹⁴ *Ibid.*, 1866-67. (Comptr. Rep.) The growth of expenditures becomes very

2. *Administrative Expenditures.* After the disastrous fire in the Cross Block in 1860, the city government was located for a few months in the Saint Charles hotel, while rooms were being prepared for it in the Market House. The work was finished in June, 1861, and the offices were at once moved into the "Old City Hall."⁹⁵ The cost of moving seems to have been \$3,163.87, at least such an amount is credited to "City Hall" in 1861. A similar item of \$405.08 appears in 1862, after which year no city hall expenses are reported.⁹⁶

During this decade the population increased from 45,246 to 71,440, or about 58 per cent. It is evident that this great increase would bring with it a corresponding growth in the expenses of the central administration, especially as the decade began with an effort to force these expenses below the normal. We have already noted the decrease in salaries in 1861. In that year Milwaukee paid her city officials only \$9,500. For the years 1861-1864 this expenditure averaged about \$11,000 yearly. In 1865 the legislature authorized an increase in salaries,⁹⁷ and from that time on the salary totals grow at the rate of about \$3,000 each year, till in 1869 the amount is \$33,484.46, more than three times what it was in 1861. The next year it was \$35,991.58.⁹⁸ The printing bill tells a similar story: from \$1,755.27 in 1861, the amount grew to \$7,000 four years later. For the latter half of the decade the expense for printing averaged \$4,500 annually. No doubt the law requiring public notices and the like to be published in more than one language has been the cause of considerable extra and often unnecessary expense along this line. For books and stationery the city spent on the average \$11,000 yearly. Before 1866 the city carried very little insurance. In that year the cost of insurance was \$624.64; in 1870 it was \$2,182.50. The expenditures for salaries, printing, books and stationery, and insurance in 1861

evident in 1865; this was the year of the "Bounty Law," the harbor decision (Hasbrouck judgment), and the destruction of the bridges; this year also saw an increase in the police force.

⁹⁵ *Milwaukee (1881)*, 270-1.

⁹⁶ *City Docs.*, 1860-61, 28; *ibid.*, 1861-62, 66; Table I.

⁹⁷ *Laws of Wis.*, 1865, chs. 13, 283. The comptroller might receive an additional \$1,000; the attorney could be paid \$800 more, the clerk \$300, etc.

⁹⁸ See the comptrollers' reports for these years; Table I.

made a total of \$12,177; in 1869 the same items amounted to \$38,378.02. The next year the total was about \$4,000 less.⁹⁹

3. *The Fire Department.* In this department progress was particularly noticeable during these years. The fire service was completely transformed. In 1862 an act was secured permitting the city to purchase steam fire engines; the next year the authorities had purchased two and were negotiating for one more;¹⁰⁰ in 1870 the city had five such engines.¹⁰¹ These purchases meant expenditures, not only for the apparatus itself, but for engine houses and for a paid service, as volunteer companies would hardly be able to make good use of the new machines. As the city could not afford to pay the whole force full wages, a beginning was made with a half pay system which was continued till 1874. The men were excused during the day, but reported for service at night.¹⁰² The companies now ceased to be voluntary and self-governing. After 1866 the mayor and council appointed the chief engineer, and the chief with the mayor's approval selected the men.¹⁰³

The department in 1861 was still being managed in the old way. Its expenses for that year were \$9,388.69. But the change just mentioned soon began to affect the totals: in 1863 the expenditures were \$22,000; in 1865, \$33,000. The following five years saw the purchase of more apparatus, the building of several engine houses, and the installation of an automatic fire alarm telegraph,—all of which helped to keep expenses at a high figure. In 1870 the department cost the city \$45,272.59.¹⁰⁴ The force that year consisted of a chief engineer, an assistant engineer, and fifty-one men. The property of the department was valued at \$102,520.¹⁰⁵

⁹⁹ *Ibid.*

¹⁰⁰ *Laws of Wis.*, 1862, ch. 308; *City Docs.*, 1862-63, 13.

¹⁰¹ *City Docs.*, 1869-70: Mayor Phillips' inaugural.

¹⁰² *Milwaukee* (1881), 370.

¹⁰³ *Laws of Wis. (Local)*, 1866, ch. 268. In 1868 the maximum salary that the council could allow the chief was fixed at \$1,600. (*Ibid.*, 1868, ch. 270.)

¹⁰⁴ For these details, see the Comptrollers' Reports and Table I.

¹⁰⁵ *City Docs.*, 1869-70: Mayor Phillips' inaugural. To the good citizens who remembered the moderate expenditures of this service in earlier days, the new system seemed outrageously expensive. Mayor O'Neill, in his valedictory (1870), called attention to the fact that in the leading cities of the country the *per capita* cost of fire protection was from two to four times as great as in Milwaukee. (*Ibid.*, 1869-70, 10.)

4. *The Police Department.* Concerning the expenditures of this department there is not much to say. The cost of the police force was three times as great in 1870 as in 1861, but the increase is not surprising when we consider the growth of the service. The force in 1861 was wholly inadequate, being composed of only twenty-one men (officers included), and it does not seem to have been materially increased for three years.¹⁰⁶ In 1863, the city had only ten night patrolmen.¹⁰⁷ At the same time the salaries paid were extremely low: the chief received \$1,000, the men \$400.¹⁰⁸ No great increase came before 1866, when the council was authorized to double the salaries in nearly every case.¹⁰⁹ Apparently some advantage was taken of this measure, for we find an increase of \$11,000 in the expenditures of the department for that year.¹¹⁰ The same law also authorized the appointment of additional men, but limited the force to forty, all included. Two more men were added in 1869,¹¹¹ and the next year Milwaukee employed the full force of forty-two men.¹¹²

In 1861 the expenditures of the department with twenty-one men on the force was \$12,123.41; in 1870, with twice as many men, \$37,177.36.¹¹³ The increase in salaries will account for a large part of the increase in the total. The expenses for 1861-1863 show very little variance. An upward tendency is evident in 1864 and 1865; but the higher level was not reached before 1866 when the expenditures were a little more than \$34,000. The figures remained near this point till the end of the decade.¹¹⁴

5. *Streets and Bridges.* Of the activities of the street commissioners we can also speak in general terms only. The funds at their disposal were the ward funds, limited to \$60,000 to be divided among nine wards, such special taxes as the legislature

¹⁰⁶ *Milwaukee (1881)*, 286; *City Docs.*, 1862-63, 13.

¹⁰⁷ *City Docs.*, 1862-63, 13.

¹⁰⁸ *Sentinel*, Apr. 13, 1861.

¹⁰⁹ *Laws of Wis. (Local)*, 1866, ch. 268.

¹¹⁰ See Table I.

¹¹¹ *Laws of Wis. (Local)*, 1869, ch. 446.

¹¹² *City Docs.*, 1869-70: Mayor Phillips' inaugural.

¹¹³ See Table I.

¹¹⁴ Of this expense only a small part was paid by the fines collected. The fines imposed in 1869 for offences against the city amounted to \$4,366.27; for offences against the state, \$3,150.99. See *City Docs.*, 1868-69, 14.

might allow from time to time, and special assessments on lots. The ward funds had to be used very largely to keep the streets clean and in repair; but part of the expenses of new work, such as making surveys and estimates, also had to be borne by this fund. Sidewalks were repaired at the expense of the ward funds, but new materials used in laying sidewalks or planking streets were paid by the real estate fronting the improvement.¹¹⁶

As the order system was still in force, the old danger of creating new debts by quietly issuing orders to an amount greater than the available revenues still remained. This time, however, the abuse was discovered before much harm had been done. At the beginning of the fiscal year 1865, the wards had a debt of \$27,780.¹¹⁶ The next year this had been reduced to \$14,000. By careful management and the comptroller's assistance, the ward committees were able to leave a balance of \$11,272.77 in the ward funds at the close of the year 1867.¹¹⁷ The next three years all show favorable balances, that of 1869 being \$16,138.17.¹¹⁸ The subject of special taxes has been touched on elsewhere. These did not become a matter of importance before the decade was half over; but in 1869 and 1870 considerable amounts must have been raised in this way. We are also in the dark as to the funds derived from special assessments; we can gather, however, from the legislation on the subject that such assessments were not popular. No new work could ordinarily be undertaken, unless the interested property owners petitioned the council for such improvement. It frequently became necessary to go to the legislature for authority to proceed with work without a petition.¹¹⁹ Compared with what had been done ten years before, the amount of street improvement could not have been great. In 1869 the street commissioners were relieved by the board of public works; but the activities of this board belong to the following chapter rather than to this.¹²⁰

¹¹⁶ *Laws of Wis.*, 1864, ch. 260; *ibid.* (*Local*), 1866, ch. 268.

¹¹⁶ *City Docs.*, 1866-67, 27-8.

¹¹⁷ *Ibid.*, 1867-68, 39-43.

¹¹⁸ *Ibid.*, 1869-70, 45.

¹¹⁹ See *Laws of Wis. (Local)*, 1867, chs. 208, 284; and other laws of the same year.

¹²⁰ The same is true of the matter of sewerage. Aside from planning and agitating, little was done with the problem before 1870.

It was the purpose of the authorities in 1861 to discontinue all bridge building;¹²¹ but the condition of some of the city's bridges was soon found to be such that rebuilding, at least, was necessary at once. In 1864 the council was given power to reconstruct any bridge whenever it should seem necessary; but the yearly tax for such purposes was limited to \$9,000.¹²² In the spring of the next year five bridges were so seriously damaged that repairing was impossible and new ones had to be built.¹²³ The following year the legislature granted an extra bridge tax of \$34,000; but this proved wholly insufficient, and in 1867 the city was in debt to the extent of \$36,000 to the bridge contractors.¹²⁴ This year a special tax of \$57,000 was allowed, and the city was permitted to add \$10,000 to this for a bridge across the Menomonee river, if two-thirds of all the members elected to the council would vote to build it.¹²⁵ The next three years the special bridge taxes authorized were for \$36,000, \$65,000, and \$56,000, respectively.¹²⁶ In all, these taxes amounted to \$233,000 for the five years; no doubt the maximum amount was levied each year.

With this amount the city built twelve bridges, nine in 1866-1868 at a cost of about \$16,000 each,¹²⁷ and three in 1869-1870 at an aggregate cost of \$103,000.¹²⁸ This means that the city was beginning to build more expensive bridges, following, it seems, the comptroller's suggestion in 1869 that stone and iron should be the materials used, as wooden bridges had to be repaired and rebuilt too often.¹²⁹ During the decade, about \$66,000 was spent in bridge repairs. Evidently the comptroller's suggestion had some pertinence; still, the strange thing is that the item for repairs should be greatest in 1869¹³⁰ when so many of

¹²¹ An act was secured providing for a popular election before any new bridge could be built. (*Laws of Wis.*, 1861, ch. 95.)

¹²² *Ibid.*, 1864, ch. 260.

¹²³ *City Docs.*, 1866-67, 15.

¹²⁴ *Ibid.*, 1865-66, 15; *ibid.*, 1866-67, 10.

¹²⁵ *Laws of Wis. (Local)*, 1867, chs. 416, 479.

¹²⁶ *Ibid.*, 1868, ch. 215; *ibid.*, 1869, ch. 36 (\$20,000), ch. 432 (\$45,000); *ibid.*, 1870, chs. 190, 192. See also *City Docs.*, 1869-70, where Mayor Phillips places the bridge tax for 1870 at \$56,000.

¹²⁷ *City Docs.*, 1868-69, 51.

¹²⁸ *Ibid.*, 1870-71, 15: Mayor Ludington's inaugural.

¹²⁹ *Ibid.*, 1868-69, 51.

¹³⁰ \$10,020.03. *Ibid.*, 1869-70, 105.

the bridges were new. Possibly the increase in the number will help explain the matter. The expense of bridge tending ran gradually from \$4,786.20 in 1861 to \$6,649.09 in 1864. The next year it was a little more than \$7,000, near which figure it remained till the close of the period.¹³¹

6. *Schools.* The council was not so active in building school houses as in providing bridges, though something was done in this line as in others. As was the case with nearly all the improvements of the decade, little was done before the war was concluded. Permission to build a new school house was secured in 1865, but the cost was not to exceed \$20,000.¹³² It seems that in all five schools were built during this period at an aggregate cost of about \$126,000, or an average of a little more than \$25,000 each.¹³³ The Sixth Ward building erected in 1870 cost \$30,000.¹³⁴ The funds used in building these were secured by special taxation. In addition to the sum given above, the council spent about \$70,000 in repairs or other necessary work about the buildings during this period.¹³⁵

The expenses of the school board in maintaining these schools show very little of interest. For the first three years of the decade, the expenditures were a little more than \$30,000 each year, an extremely small amount, but all that the community could afford. The next three years show an average yearly disbursement of \$44,000. In 1866 the cost rose to \$60,000, and during the remainder of the decade there is an almost uniform annual increase in these accounts of \$12,000, caused no doubt largely by the expansion of the system as outlined above.¹³⁶ Two other facts no doubt contributed to this increase: the payment of higher salaries and the establishment of a high school.

¹³¹ *Comptr. Rep.*

¹³² *Laws of Wis.*, 1865, ch. 6.

¹³³ *City Docs.*, 1868-69, 12, 50; *ibid.*, 1870-71, 15.

¹³⁴ *Ibid.*, 1870-71, 15.

¹³⁵ See Table I and *Comptrollers' Reports*.

¹³⁶ The following are the figures as given in *Milwaukee*, (1881), 541:

1861	\$30,816 57	1866	\$48,351 40
1862	30,879 85	1867	60,836 52
1863	32,740 77	1868	73,819 20
1864	40,840 25	1869	84,981 50
1865	45,847 98	1870	92,994 28

In 1865 an act was passed defining the educational qualifications to be demanded of the city superintendent and permitting his salary to be raised to \$2,000.¹³⁷ Two years later a high school was provided for, also by a legislative act. The salary of the principal was to be determined by the school board, the maximum limit being \$2,500.¹³⁸ The school was opened the next year (1868).¹³⁹

The decade that we have just reviewed was not a period of great municipal undertakings; still, when we consider the great heritage of debt and difficulties which were left to it by the preceding administrations, it was, after all, a period of progress. Except in a few of the wards, for two or three years rigid economy was practiced and the expenditures were kept within the bounds of the revenue. At the close of the fiscal year 1861 the excess of income over expenditures was \$7,654.90.¹⁴⁰ The next year also left a surplus and the retiring mayor reported that city orders had never before "been worth so near par since Milwaukee was chartered as a city."¹⁴¹ In the collection of taxes, the next year (1863) made the best showing since 1848.¹⁴² We learn that in 1865 readjustment bonds were held "firmly at from 90 to 95 cents on the dollar," the discount being due to the low rate of interest.¹⁴³ In 1867 the comptroller assured the council that the finances of the city were in a satisfactory condition and the retiring mayor spoke in glowing terms of the happiness and prosperity of the city, "its finances and its credit unimpaired."¹⁴⁴ At the same time taxes were increasing, expenditures were heavy, and the satisfaction was not so general as might be inferred. The fiscal year 1870 closed with favorable balances everywhere.¹⁴⁵ The debt, bonded, floating and

¹³⁷ *Laws of Wis.*, 1865, ch. 345. The office had been established in 1852 (*Charter and Ordinances*, 1852, 53) but was not filled for some years. A sum of \$600 might be added for clerk hire.

¹³⁸ *Laws of Wis. (Local)*, 1867, ch. 252.

¹³⁹ *Milwaukee (1881)*, 529.

¹⁴⁰ *City Docs.*, 1861-62, 19: inaugural of Mayor Chase.

¹⁴¹ *Ibid.*, 1862-63, 5: valedictory of Mayor Chase; see also pp. 23 ff.

¹⁴² *Ibid.*, 1863-64, 4 ff.

¹⁴³ *Ibid.*, 1864-65, 11.

¹⁴⁴ *Ibid.*, 1866-67, 3 ff.

¹⁴⁵ *Ibid.*, 1870-71, 22 ff.

guaranteed, which in 1860 was \$2,825,850 had been reduced to \$1,388,222.51 in 1870.¹⁴⁶ The readjustment bond issue was now rapidly approaching the half million dollar limit, and the city would soon be able to undertake certain expensive but much needed public works.

¹⁴⁶ *Ibid.*, 1869-70, 46.

CHAPTER V

BUILDING THE WATER WORKS: 1871-1888

It is proposed in the present chapter to review the two decades following 1870, or more accurately the years 1871 to 1888 inclusive. As the great accomplishment of this period was the building of the water works, I have headed the chapter accordingly. Naturally, the interest during these years centers about the newly organized board of public works. It will be found that the period falls into two distinct divisions: the decade closing with 1880 and the eight years following. For a dozen years after its creation, the new board displayed great activity, particularly in laying water pipes, constructing sewers, and improving streets. Consequently, expenditures were large and taxation remained at a high level. The tax-payers, naturally, soon tired of these burdens, and, in 1881, secured an act which limited the taxing power of the council very narrowly, and at the same time reduced the expenditures for public works. For several years strict economy again ruled in the financial operations of the city; but by 1888 the reaction has spent its force, and Milwaukee once more prepares for municipal expenditures on a large scale.

A. THE CHARTER OF 1874

At the beginning of this period the city was still governed according to the charter of 1852 in its amended form; but in this form the original document was hardly recognizable. The charter had never proved satisfactory, but every attempt to displace it had been a failure. The people rejected the proposed charter of 1859;¹ and the charter convention of 1867 also failed to pro-

¹ See *Sentinel*, Jan. 11, 1859, for objections.

duce a satisfactory instrument.² Finally, in 1874, the common council proceeded to draw up a charter without first consulting the electorate. The preliminary work was entrusted to a committee of five. The draft presented by this body was then given over to a committee of twelve and afterwards passed upon by the council in joint session.³ The amended draft with a few changes made by the legislative committee was in due time enacted into law and is still the municipal constitution of Milwaukee, though it has been amended from time to time in many important respects.

The charter divided the city into thirteen wards and provided for a single chamber council of thirty-nine aldermen, chosen for a term of three years; one from each ward to be chosen at each annual election.⁴ The number was later reduced to two and the term fixed at two years.⁵ The mayor was no longer to preside over the council: that body was directed to choose its own presiding officer, who was also to act as mayor when circumstances should demand it.⁶ In general, it may be said that the new charter increased the power of the council, especially in the matter of taxation and expenditures. The aldermen were authorized to levy a municipal tax, not including taxes for school support, interest purposes and sinking fund, of 16½ mills which, as the valuation then was, would produce about \$750,000.⁷

In the administrative machinery of the city, the charter made but slight changes. The framers did not intend to innovate; their purpose was rather to make use of all that the years had built up, but at the same time to define functions more clearly and to distribute powers more definitely than the earlier amendments had done. Still, on the administrative side the new instrument differed most widely from the charter as made in 1852. Since that date there had grown up a somewhat elaborate system

² *Laws of Wis. (Local)*, 1867, ch. 27.

³ See *Sentinel*, Jan. 28 and Feb. 7, 1874, or any Milwaukee newspaper of January and February of that year.

⁴ *Charter of 1874*, ch. I, sec. 3; *Ibid.*, ch. II, sec. 4.

⁵ *Laws of Wis.*, 1887, ch. 205.

⁶ *Charter of 1874*, ch. III, sec. 3. The term was one year; beyond the city limits the mayor can perform no official acts.

⁷ *City Docs.*, 1873-74: inaugural of Mayor Ludington, 4 ff.

of boards, nearly all of which were retained in the new plan. It may be well to discuss these briefly.

1. The matter of sanitation was entrusted to a board of health composed of five aldermen appointed by the mayor.⁸ Four years later this board was abolished and its powers as well as those of the health officer were conferred on a health commissioner appointed by the mayor and council.⁹ In 1882, the term of this official was lengthened to four years.¹⁰ With the establishment of this office really effective work along the line of sanitation may be said to have begun. Two years later (1880), the city was authorized to take charge of garbage disposal, the work being committed to the board of public works.¹¹

2. The public debt commission, both as to organization and powers, remained very much as when first created (1861).¹²

3. The board of water commissioners which was at that time building the water works was left in charge of this undertaking until January of the next year, when the board was to transfer the works to the city. The commission would then cease to exist and the board of public works would take charge of the water system.¹³

4. The board of public works continued as a commission of three members appointed by the mayor and council, one to be selected from each of the three "sides."¹⁴ The next year, the city engineer was made a member and president of the board.¹⁵ To these four commissioners was entrusted the care of all the public buildings, the streets, the alleys and the sidewalks, the water works and the sewers, the bridges, the docks and the wharves, and whatever else could be classed with the public works. It was the chapter dealing with this board that gave the framers of the charter the most trouble. Later numerous laws and amendments were passed for the purpose of further

⁸ *Charter of 1874*, ch. XIII.

⁹ *Laws of Wis.*, 1878, ch. 3.

¹⁰ *Ibid.*, 1888, ch. 219.

¹¹ *Ibid.*, 1880, ch. 206.

¹² *Charter of 1874*, ch. XI.

¹³ *Ibid.*, ch. X.

¹⁴ *Charter of 1874*, ch. V.

¹⁵ *Laws of Wis.*, 1875, ch. 144, sec. 18.

defining the authority of this body and of protecting the property owners against unjust assessments.

5. The public schools were entrusted to a board of school directors, two from each ward, to be chosen by the aldermen of each particular ward with the approval of the council. The school board was given the usual authority over schools and teachers and was allowed to appoint certain necessary officials, such as superintendent and secretary. The term of the superintendent, like that of the directors, was two years. His salary was not to exceed \$3,000. The charter established one high school and gave the board power to grant diplomas and confer degrees.¹⁶ Every year not later than May 20, the school board was to report to the council the amount of money needed for the coming year. The council had no choice but to levy the tax desired, unless two-thirds of the aldermen elected to the council should wish to change the amount.¹⁷

6. The appointment of the chief of the police department and of the chief engineer of the fire department was given to the mayor and the council; but in both departments all the other men were to be chosen by the mayor and the chief.¹⁸ It is readily seen that in the hands of an ambitious mayor these two necessary departments might become powerful political engines. Such a condition really seems to have developed, for in 1885 the legislature established a board of fire and police commissioners composed of four citizens, not more than two of whom might belong to the same political party. The commissioners were to be appointed by the mayor for a term of four years. No compensation was to be attached to the office. It was enacted that after the first Monday in July, 1885, no one should be appointed to a place in either department without the approval of this commission. The law also provided for a system of examinations to which all candidates would have to submit.¹⁹ The result hoped for was reached. Since that year no member of the

¹⁶ The high school was to include a normal department a certificate from which would qualify the holder to teach in the public schools.

¹⁷ *Charter of 1874*, ch. XII. The provisions in the charter concerning the public school system go back to an act of Mar. 15, 1872. See *Laws of Wis. (Local)*, 1872, ch. 45.

¹⁸ *Charter of 1874*, chs. XIV and XV.

¹⁹ *Laws of Wis.*, 1885, ch. 378.

police force or the fire department has found it necessary to be active in politics in order to retain his position, as the commission watches over removals as well as over appointments.

B. MUNICIPAL EXPENDITURES

1. *The Water Works.* In 1871 nearly 75,000 people lived in Milwaukee, and yet the city had done nothing to provide a water supply, and very little toward furnishing safe and sanitary means of sewage disposal. Twenty years earlier, the city had seen the need of constructing a system of water works; but at that time it was thought that such a venture was more properly a private than a public enterprise. In 1852 a contract was entered into with one John Lockwood, according to the terms of which Mr. Lockwood was to have a water monopoly for fifteen years, at the expiration of which term the city should buy the works or renew the franchise for ten years more. The works were to be built with private capital, the city assisting with a loan of \$75,000.²⁰ The contract was modified somewhat the next year.²¹ Permission was secured from the legislature to make the necessary loans,²² and it was generally believed that a water system would be in operation within a very few years.²³ However, a strong opposition soon developed, based partly on financial conditions and partly on sectional jealousy, and the plan had to be given up.²⁴ After the great collapse of 1857, all agreed that the subject of water works would have to be dropped for some time. The readjustment act of 1861 definitely postponed all new improvements until the debt should have been reduced to the half million limit; and however necessary a system of public water supply might be to the home, the factory, or the fire service, it could not be provided before another decade.

Still, there could be no objection to making a study of the situation and preparing the necessary plans and specifications,

²⁰ See Buck, *Milwaukee*, 3:433; *Free Democrat*, Aug. 17, and Dec. 17, 1852.

²¹ *Free Democrat*, Oct. 22, 1853.

²² *Laws of Wis. (Local)*, 1853, ch. 116; *ibid.*, 1855, ch. 335.

²³ *Free Democrat*, March 22, 1854.

²⁴ Buck, *Milwaukee*, 3:433.

so as to have everything ready for the day when the city could legally proceed with this much desired work. In 1868 the legislature authorized the council to add to that year's taxes \$5,000 "for surveys and estimates for the construction of water works."²⁵ The council promptly employed Mr. E. S. Cheshbrough, "an eminent hydraulic engineer," to make the preliminary surveys, plans, and estimates.²⁶ In his report a few months later, the engineer considered four projects involving an expense of from \$1,140,342 to \$1,350,342.²⁷ The report was submitted to a committee, but no immediate action was possible while the bonded debt remained above \$500,000.²⁸ In 1870 the total was reduced to \$677,000,²⁹ and the next year a sufficient number of bonds were retired to justify the authorities in adopting definite plans and letting contracts.

In March, 1871, the legislature passed an act providing for a commission of seven members appointed by the act itself whose duty it should be to build the water works and get the system ready for operation. The board of water commissioners was headed by Alexander Mitchell who was financially perhaps the foremost citizen of Milwaukee at the time. The members served without compensation and no member was allowed to hold any office under the board. The board was empowered to draw up all plans, but the council might amend the same. The revenues at the board's disposal came from the water fund, which was made up of the proceeds from the sale of the water bonds, taxes levied for the construction of the works, water rates collected for water consumed, and all other revenues that might be derived from the system. This fund was to be exclusively devoted to the construction and maintenance of the water works and to the payment of the water debt.³⁰ Necessarily, the board was invested with extensive powers, not only in respect to public property but also in certain cases where private property was

²⁵ *City Docs.*, 1867-68, 10.

²⁶ *Ibid.*, 13.

²⁷ *Ibid.*, 1868-69, Engineer's Report; appendix.

²⁸ *Ibid.*, 1868-69, 11.

²⁹ \$677,140.42. *City Docs.*, 1870-71, 18-9.

³⁰ For the terms of the act, see *Laws of Wis. (Local)*, 1871, ch. 475; *City Docs.*, 1872-73; act of March 24, 1871. See also *Charter of 1874*, ch. X.

concerned; most of its acts were, however, subject to the approval of the council.³¹

The commissioners met and organized April 15 of the same year (1871). In December their plans were ready and presented to the council. It was thought that the system could be built as planned for \$1,359,400.³² When the legislature created the commission it also authorized a bond issue of \$1,000,000 to provide the necessary funds.³³ These bonds, of course, could not be sold before the old bonded debt had been reduced to the legal limit which was finally reached in 1871. But in view of the fact that the most expensive project had been agreed upon, a larger bond issue was necessary and at its session in 1872 the legislature raised the limit to \$1,400,000.³⁴ Another act of the same year provided that before laying pipes the board should assess the cost on the lots fronting the improvement, each lot paying half, with such reductions in favor of corner lots as the board should consider equitable.³⁵ The work was begun in 1872,³⁶ and it soon appeared that the estimate of the year before was too low. On April 29, 1873, Mayor Hooker reported that the works when completed would probably cost \$1,646,943.23 or nearly \$300,000 more than had been estimated.³⁷ Toward the close of the year the water commissioners reported even greater expenditures: certain changes in the plans, the "advance in the cost of iron, increase in labor's and mechanic's wages," etc., had increased the needed amount to \$1,818,371.35.³⁸ The fourteen hundred water bonds had been sold at par; but, as a commission had been paid for selling them,³⁹ they had yielded only \$1,352,500. Special assessments had added about \$300,000 to this, but a deficiency of \$168,624.75 still remained.⁴⁰ The board

³¹ The board was also permitted to appoint certain officers such as treasurer and engineer.

³² *City Docs.*, 1872-73: Water Works, 13.

³³ *Laws of Wis. (Local)*, 1871, ch. 406. The bonds were to run for a term of from 20 to 30 years; the interest was 7 per cent.

³⁴ *Ibid.*, 1872, ch. 3.

³⁵ *Ibid.*, ch. 90. The lots paid in proportion to frontage.

³⁶ *City Docs.*, 1871-72, 18.

³⁷ *Ibid.*, 1872-73, 11-2.

³⁸ *Ibid.*, 1873-74: Report of Water Board, 27-30.

³⁹ *Ibid.*, 1872-73, 12-3.

⁴⁰ *Ibid.*, 1873-74: Report of Water Board, 30.

favored a further bond issue of \$250,000; and the legislature authorized this at the next session.⁴¹ An issue of \$200,000 was soon afterwards made, the total thus being brought up to \$1,600,000, from which the amount realized was \$1,563,294.42.⁴² When the completed system was transferred to the board of public works in June, 1875, the total cost was a little more than \$1,900,000, or about 40 per cent. more than the estimates of 1871.⁴³

Eighteen months after the work had been begun, the city was supplied with water.⁴⁴ Temporary works were built near North Avenue bridge on the West Side, and in November, 1873, the works began to furnish water. The lake works were completed September 14 of the next year.⁴⁵ In addition to building the pumping works, the tunnel, and the reservoir, the board had been busy laying pipes. About 13 miles were laid the first year;⁴⁶ a year later 55 miles in all had been laid.⁴⁷ In 1876 the acting mayor reported that since the work was begun 64 miles of pipe had been laid. For this part of the work the owners of fronting property had been assessed an aggregate sum of \$368,509.06.⁴⁸ The work of further construction was continued from year to year as there seemed to be need for it.⁴⁹ In addition

⁴¹ *Laws of Wis.*, 1874, ch. 67.

⁴² *City Docs.*, 1874-75: Report of Water Board, 42.

⁴³ *Ibid.*, 13: \$1,905,401.39 (estimate of board in February, 1875).

⁴⁴ *Ibid.*, 1873-74, 9: Mayor Ludington's Inaugural.

⁴⁵ *Ibid.*, 1874-75: Report of Water Board, 7.

⁴⁶ *Ibid.*, 1872-73, 11-2: Mayor Hooker's valedictory.

⁴⁷ *Ibid.*, 1873-74, 9.

⁴⁸ *Ibid.*, 1875-76, 8-9. In 1888, 15.3 miles of pipe were laid at a cost of \$98,634.30, of which \$56,115.16 was assessed against abutting property. Special assessments paid for about 64 per cent. of this work in 1889, and for about 54 per cent. in 1890. See Reports of Board of Public Works.

⁴⁹ The following table is compiled from the *City Documents*, especially from the Report of the Board of Public Works, 1883, 67.

	Constr. acct.	Miles of mains.
1875	\$112,177 77	64.
1876	50,485 77	70.25
1877	46,067 04	75.4
1878	65,508 56	81.806
1879	20,173 81	86.269
1880	21,318 13	90.872
1881	100,154 48	93.194
1882	91,624 38	99.211
1883	23,899 07	101.391
1884	120,224 95	110.918

to laying new water mains the city found it necessary to enlarge parts of the system as the consumption of water increased. Still, the leading item of the construction account for the ten years following the completion of the works was the expense of extending the water mains, an expense borne largely by the owners of real estate in the districts affected. At the close of the fiscal year 1887, the total cost of the water works was \$3,012,877.19.⁵⁰

With 1875 begins a maintenance account. A glance at the table given below⁵¹ shows a remarkable uniformity in this account up to 1881 in which year a decided advance appears. Again a considerable increase is noted in 1886. But when we remember that the work of construction was going on continuously and that the system was yearly being extended in all directions, we shall not be surprised at the increase in these expenditures during the eighties. The expense of maintenance can best be studied in connection with the yearly income. The figures in the table referred to above show that the water works were a financial success from the very beginning. During the thirteen years, 1875 to 1887 inclusive, there was a fourfold increase in the revenues, while the expense of maintenance only doubled. As the interest on the water bonds amounted to more than \$100,000 a year, it was some time before any part of the

1885	89,896 02	120.552
1886	262,873 41	133.898
1887	198,121 01	147.449

⁵⁰ *City Docs.*, 1888, 8: mayor's valedictory.

⁵¹ The following table is compiled from the *City Documents* (Reports of Board of Public Works, especially the report of 1883, p. 68); varying figures are given in various documents.

	Income of water works.	Maintenance account.
1874	\$39,244 68	
1875	63,752 56	\$55,229 94
1876	84,248 42	52,879 68
1877	98,367 87	56,118 35
1878	108,557 18	58,676 68
1879	129,505 41	59,865 01
1880	161,993 54	62,165 21
1881	186,058 68	89,335 04
1882	200,749 10	94,849 35
1883	211,623 43	91,910 06
1884	215,228 44	94,414 85
1885	240,027 63	94,609 74
1886	232,036 22	101,374 89
1887	286,052 33	119,175 54

income could be used in reducing the debt; but in 1884 the revenues of the water works contributed \$10,000 to the sinking fund,⁵² and two years later the commissioners of public works were able to report that the income from the works in that year (1886) had paid the maintenance expense, the interest on the water debt, and had contributed \$55,000 to the sinking fund.⁵³ The next year \$64,500 was paid into the sinking fund from the same source.⁵⁴

2. *The Sewers.* Up to the year 1863 Milwaukee had done nothing to provide a system of sewage disposal. Mayor O'Neill in his inaugural address of that year called attention to the dangers of the situation with respect to sewage, and argued for sewers built of stone or brick.⁵⁵ About the same time the legislature was passing laws authorizing the street commissioners in the Second and Fifth Wards to construct sewers in certain specified localities.⁵⁶ But a system of sewers could not be built up by a number of committees working independently, each in its own ward, and in 1866 this work was entrusted to a sewerage commission of three members elected for three years, one from each of the three sewerage districts which in general corresponded to the three "sides." This commission was to take up the entire drainage question. Its funds were to be derived from special assessments on lots and a general sewerage tax on the real estate in each particular district.⁵⁷ It seems, however, that some difficulty was experienced in agreeing upon a general drainage plan; and when the council employed Mr. Chesbrough to devise plans for a water system, he was also asked to make the situation with regard to sewerage a part of his study.⁵⁸ That same year (1868) the sewerage act was repealed.⁵⁹ A sewerage board was created in 1869,⁶⁰ but the very same day a

⁵² *City Docs.*, 1885, 13 ff.

⁵³ *Ibid.*, 1886: Report of the Board of Public Works, 5.

⁵⁴ *Ibid.*, 1887.

⁵⁵ *Ibid.*, 1862-63, 14-5.

⁵⁶ *Laws of Wis.*, 1863, chs. 213, 291. An act approved May 15, 1858, had provided for a sewer in the Fifth Ward, but I do not know that any work was ever done under this law.

⁵⁷ *Ibid. (Local)*, 1866, ch. 401.

⁵⁸ *City Docs.*, 1867-68, 13.

⁵⁹ *Ibid.*, 1868-69, 52; *Laws of Wis. (Local)*, 1868, ch. 351.

⁶⁰ *Laws of Wis. (Local)*, 1869, ch. 399.

bill establishing the board of public works was approved and submitted to a referendum. As it was accepted by the electorate, the new sewerage board passed out of existence and the task of developing a drainage system was entrusted to the board of public works.⁶¹

It was determined to conduct the sewage into the rivers, to tear up all the old sewers and to begin anew.⁶² In 1869 the board spent \$19,565.29 for this purpose, all, it seems, in the Fifth and Eighth Wards.⁶³ The next year more than \$75,000 was accounted for in this way.⁶⁴ It was proposed in 1871 to discontinue building sewers until the water works should be completed,⁶⁵ but the suggestion was not heeded. The board of public works during the first few years of its existence considered sewer construction the most important matter entrusted to it and acted accordingly. In April, 1872, the city had nearly 11 miles of sewers;⁶⁶ six years later there were 74 miles;⁶⁷ more than 13 miles were built in 1877;⁶⁸ but after that year there is a steady decrease in the number of miles constructed, until in 1881 only 1½ miles were built.⁶⁹ After 1884 a great deal of activity is again apparent in this line, nearly 19 miles being constructed in 1888.⁷⁰

For the decrease of interest shown in sewerage work, several reasons may be given. For one thing, the city was getting to be fairly well supplied with drains, and for another thing there was a popular uprising in 1880 and 1881 against the "extravagance" of the board. Then again the rivers were becoming foul and the city had a new problem to deal with, the river nuisance.⁷¹ In 1879, a committee of experts developed a plan to pump all the sewage into the lake through a system of inter-

⁶¹ *City Docs.*, 1869-70, 17: Mayor Phillips' inaugural.

⁶² *Milwaukee* (1881), 412.

⁶³ *City Docs.*, 1869-70, 15.

⁶⁴ \$75,424.55; *ibid.*, 1870-71: Comptr. Rep., 24; this probably does not include special assessments.

⁶⁵ *Ibid.*, 19.

⁶⁶ *Ibid.*, 1871-72, 18.

⁶⁷ *Ibid.*, 1877: Report of Board of Public Works, 10.

⁶⁸ *Ibid.*

⁶⁹ *Ibid.*, 1881, 65: Report of Board of Public Works.

⁷⁰ *Ibid.*, 1888, 6.

⁷¹ *City Docs.*, 1878, 11.

cepting sewers.⁷² The following year the intercepting plan was adopted by the council, and work was begun in the Menomonee valley.⁷³ But the progress made was exceedingly slow.⁷⁴ The plan soon proved to be an expensive one; and as far as the rest of the city was concerned, it was given up, though work continued on the sewer already begun.

As a large part of the expense for sewers was to be met by special assessments, the question how much each lot should be taxed soon became an interesting one. Finally, in 1873, an act was passed fixing the assessment at 80 cents per linear foot on regular lots; if the work should cost less than \$1.60 per foot (the sum paid by the two fronting lots), the tax should be equal to the actual cost and no more.⁷⁵ In 1888, Milwaukee had 165.18 miles of sewers built at a cost of \$2,116,127.93;⁷⁶ of this sum the owners of fronting lots must have paid nearly two-thirds.

3. *The Streets.* This period also saw a great activity in street work. New streets were added; old streets were graded and graveled; some of the down-town streets were paved; streets were cleaned and sprinkled. The years 1870-1880 witnessed great development in Milwaukee, especially on the South Side; for some years the board of public works seems to have been particularly interested in this section. The old rule that no new work should be undertaken except on petition of the property owners in the locality concerned was suspended in 1873 by a law that permitted the council by a three-fourths vote to order street work without previous petition.⁷⁷ This law simplified matters considerably and showed immediate results. There was more street improvement in 1873 than in any previous year. When this act was passed, Milwaukee had only about 57 miles of improved streets;⁷⁸ sixteen years later (1889) there were nearly 220.⁷⁹

⁷² *Milwaukee* (1881), 412.

⁷³ *Ibid.*

⁷⁴ *City Docs.*, 1883: Mayor Stowell's valedictory (1884).

⁷⁵ *Laws of Wis.*, 1873, ch. 129; see also *Charter of 1874*, ch. VIII.

⁷⁶ *City Docs.*, 1888: Report of Board of Public Works.

⁷⁷ *City Docs.*, 1873-74: Report of Board of Public Works, 8.

⁷⁸ *Ibid.*, 10.

⁷⁹ *Ibid.*, 1889, 11.

The most important new matter in this line was paving. A little paving had been done in 1854 on and near Wisconsin street, and again in 1861 in the section about Grand avenue and West Water street;⁸⁰ but no extensive work of this sort was undertaken for some time. The next paving contract was let in 1872,⁸¹ and from that year on this work became an important subject both in and out of the council. The great question was what materials to use in paving. Mayor Ludington objected to wood pavements as being expensive economy;⁸² still, owing to the cost of other materials, wood was the only thing used for a number of years.⁸³ In 1879 the city had 21½ miles of streets paved with wooden blocks, the average cost being about \$1 per square yard, or \$26,000 per mile.⁸⁴ During the previous year, the city had spent nearly \$1,000 per mile in repairing these comparatively new pavements, and the authorities began to look about for new methods and machinery. A law was secured permitting the purchase of rollers and crushers,⁸⁵ and a beginning was made with macadam. In 1883 (April) Milwaukee had 25 miles of pine and cedar pavements and 2¼ miles of macadam.⁸⁶ During the next few years, street paving did not progress so rapidly; in 1889 the city had but 32.6 miles of pavement, only 5 miles added in six years.⁸⁷

The cost of street improvement varied from year to year according to the amount and the character of the work done. In 1881, less than four miles was improved at a cost of \$43,679.06; in 1888 the cost of improving eighteen miles was \$332,000.⁸⁸ A large part of the expense was assessed on lots, and some of the work was done by the property owners themselves. Just what part of the paving bills should be borne by the lots bene-

⁸⁰ *Milwaukee* (1881), 430.

⁸¹ *Ibid.*

⁸² *City Docs.*, 1873-74, 7.

⁸³ *Ibid.* The board of public works favored wooden blocks, as asphalt and macadam were too expensive: see *ibid.*, p. 12 ff.

⁸⁴ *Ibid.*, 1878: mayor's address, 12-4.

⁸⁵ *Laws of Wis.*, 1879, ch. 58. Macadamizing was not begun unless petitioned for.

⁸⁶ *Sentinel*, Apr. 18, 1883: Mayor Stowell's inaugural.

⁸⁷ *City Docs.*, 1889, 16.

⁸⁸ See the reports for these years. The cost of graveling up to 1879 was \$4,950 per mile.

fited was a difficult question; but it seems, from certain special acts on this subject, that for the first few years the fronting real estate paid for all but the work on the street intersections, which was charged to the ward fund;⁸⁹ at the same time, a law of 1877 referring to pavement on Chestnut street provided that only one-third of the expense should be charged to the lots and two-thirds to the ward fund.⁹⁰ As the more expensive forms of street improvement came to be undertaken, the special assessment had to be reduced; of the \$332,234.98 used in improving streets and alleys in 1888, \$147,011, or less than one-half, was assessed against fronting lots.⁹¹

The board of public works also had to see that the streets were kept clean and properly sprinkled. To provide for the removal of ashes was also a duty of this board. Street sprinkling was usually paid for by the residents of the streets sprinkled;⁹² in 1888 this service cost nearly \$50,000. In the same year the city paid \$45,219.03 for street cleaning and \$26,593.62 for the removal of ashes as against \$17,277.89 two years before. All these expenditures showed a considerable increase during the next few years.⁹³

4. *Bridges and Harbor.* After the completion of the harbor, the principal expenditures of the city in the interest of navigation were for dredging and docking. It will be remembered that during the years 1861 to 1870 the city spent about \$10,000 each year for these purposes. During the period reviewed in the present chapter, the annual expense for dredging and docking was about \$20,000.⁹⁴

In 1871 the citizens of Milwaukee found their city quite well supplied with bridges, and little was done in the way of building new ones for some years. The charter of 1874 enumerated sixteen swing or draw bridges and nine stationary ones; it also empowered the council to build swing bridges anywhere, if the

⁸⁹ *Laws of Wis.*, 1875, chs. 272, 324.

⁹⁰ *Ibid.*, 1877, ch. 25.

⁹¹ *City Docs.*, 1889, 9 ff.

⁹² No street was to be sprinkled unless the owners living along the street asked for it. All sprinkling of intersections was to be paid for out of the ward funds. (*Laws of Wis.*, 1875, ch. 144, sec. 23.)

⁹³ See the Reports of the Board of Public Works, 1888, 12; 1886, 9.

⁹⁴ See Table I.

proposition was supported by a two-thirds vote.⁹⁵ Twenty-five bridges were a good many, thought Mayor Ludington in 1875;⁹⁶ still, more were wanted. In 1876 the city had twenty-seven bridges, nine of which were of iron and one was of iron in part.⁹⁷ In 1879 another bridge was contracted for,⁹⁸ and ten or eleven more were projected during the next eight years.⁹⁹ At the close of the year 1888, Milwaukee must have had at least forty bridges, including the Sixth Street viaduct, which was built by the Chicago, Milwaukee, and St. Paul Railway Company.¹⁰⁰

By this time the city had thoroughly learned that wooden bridges were a poor investment, and practically all the new ones were built of iron, which fact, of course, made them expensive. The average cost of ten iron structures built during the decade beginning with 1879, was \$34,000, the most expensive one (the Grand Avenue bridge) costing \$45,364.31.¹⁰¹ So great an increase in the number of bridges naturally meant a corresponding increase in the expenditures for tending and repairs. In 1871 these two items amounted to \$17,935.75; in 1888 the total for repairs was \$13,275.15 and for maintenance, \$30,295.68.¹⁰² Bridge repairs and bridge tending were paid for out of the general city fund. New bridges were built with funds raised by special taxation or bond issues.

5. *Schools.* The board of public works was also active in erecting school buildings in every part of the city. While it might be possible to postpone certain other forms of improvement, the demand for schools was one that had to be heeded. In 1870 Milwaukee had a population of 71,000; in 1888 it had increased to nearly 200,000. This meant a corresponding increase in the school population, and nearly three times as much school room was needed in 1888 as was found adequate in 1870. During this period the city enlarged a number of its

⁹⁵ *Charter of 1874*, ch. IX, secs. 6-8.

⁹⁶ *City Docs.*, 1874-75, 25.

⁹⁷ *Ibid.*, 1875-76: Report of Board of Public Works, 55.

⁹⁸ *Ibid.*, 1879.

⁹⁹ See Reports of Board of Public Works.

¹⁰⁰ *Laws of Wis.*, 1878, ch. 57. The city constructed the approaches and planked the roadway and sideways. See *City Docs.*, 1883, 77.

¹⁰¹ *City Docs.*, 1882: Report of Board of Public Works, 13.

¹⁰² See the Comptrollers' Reports (*City Docs.*) for these years.

older school houses and built twenty-three new ones. Five were erected in 1875, two in 1882, two more in 1884, and three in each of the years 1887 and 1888. Nearly all of the remaining years saw at least one new school building added.¹⁰³ Some of these new houses were quite expensive, so much so as to call forth considerable adverse criticism. Mayor Ludington, who believed strongly in small budgets, wanted the school buildings less "architectural,"¹⁰⁴ though from the present point of view the old structures look sufficiently plain. Six buildings referred to in the reports of 1877 cost from \$3,000 to \$52,000;¹⁰⁵ two erected in 1884 cost \$51,000 and \$64,000 respectively.¹⁰⁶ One of the three that were built in 1888 cost \$52,000, while the other two averaged \$32,000 each.¹⁰⁷ These figures do not include the cost of sites. During these years the city also assisted in building the Milwaukee State Normal School, the cost of which, as reported in 1885, was \$34,927.49.¹⁰⁸

The operations of the school board during this period present very little of interest to the student of finance. The board was sincerely anxious to furnish school accommodations for every child, and loudly demanded more buildings, which demand the council yielded to with some reluctance. The commissioners also strove to pay the teachers living wages; but in this matter they were again hampered by the aldermen who would occasionally reduce the budget.¹⁰⁹ Still, on the whole, the period shows much progress: the twenty-two schools in 1871 had increased to thirty-seven in 1888. In the same period the number of teachers had increased from 145 to 484 and the expenditures from \$112,811.09 to \$399,313.73.¹¹⁰

6. *Fire and Police Departments.* In 1871 the Milwaukee fire

¹⁰³ See the *Manual of the Public Schools* (1905), 53-6. It is possible that one or two more should be included in the number of new schools, but I am inclined to believe that in these cases old schools were enlarged.

¹⁰⁴ *City Docs.*, 1870-71, 15; *ibid.*, 1874-75, 25.

¹⁰⁵ \$3,201.25 and \$52,663.56. (*Ibid.*, 1877: Report of Board of Public Works, 19.)

¹⁰⁶ \$51,439 and \$64,277. (*Manual of the Public Schools* [1905], 53 ff.)

¹⁰⁷ *Ibid.*

¹⁰⁸ *City Docs.*, 1885, 21: inaugural of Mayor Wallber.

¹⁰⁹ See the reports of the superintendents and the addresses of the presidents of the board.

¹¹⁰ See the Annual Reports of the School Board for these years.

department was still enjoying a precarious existence on half pay. That year, however, brought relief, and, as usual, it came from the state capitol. By an act of March 21, the legislature established a paid fire service for Milwaukee and fixed the wages and salaries to be paid.¹¹¹ The effect of this law is clearly seen in the expenditures of the following year: from \$46,500 in 1871 the account rose to \$76,600 in 1872.¹¹² The charter of 1874 incorporated the law referred to and increased the salaries of the men an average of \$300 each.¹¹³ During the rest of the period the expenditures show increase or decrease as the salaries happened to be changed, engine houses begun or completed, apparatus purchased or disposed of, and new men added to the force. In 1877 the cost of the department was \$111,815.06. This was considered high and the succeeding administration reduced it about \$8,000.¹¹⁴ The next mentionable increase came in 1883, when the expenditures suddenly rose to \$138,446.79, apparently on account of an increase in the force. All told, the city had only 53 firemen in 1870; in 1885 there were 119.¹¹⁵ The next year the force was increased to 129, and the year's expenses show a corresponding growth.¹¹⁶ In 1886, 152 men were enrolled as firemen,¹¹⁷ and two new buildings were erected for the department;¹¹⁸ all this brought the expense account of the year up to \$181,000. New salary schedules were adopted the following year.¹¹⁹ In 1888 the fire department cost the city \$248,249.09,¹²⁰ or about \$1.25 *per capita*. Twenty years before the *per capita* cost was less than 40 cents.

The history of the police department for these years is similar to that of the fire department; only, as the police force has no great need of buildings and apparatus, the total expense did not rise

¹¹¹ *Laws of Wis. (Local)*, 1871, ch. 445.

¹¹² See Table I. There was a further increase in salaries in 1873; see *Laws of Wis.*, 1873, ch. 129, sec. 32.

¹¹³ *Charter of 1874*, chs. XIV, XVI.

¹¹⁴ *City Docs.*, 1878, 4-5; mayor's address.

¹¹⁵ *Ibid.*, 1885, 17: Mayor Wallber's inaugural.

¹¹⁶ *Ibid.*, 1886, 18 ff.

¹¹⁷ *Ibid.*, 1887, 21.

¹¹⁸ *Ibid.*: Report of Board of Public Works, 14.

¹¹⁹ *Laws of Wis.*, 1887, ch. 462.

¹²⁰ See Table I. The number of men enrolled in 1888 was 174.

to such high figures. The force in 1871 consisted of 42 men¹²¹ and the expenditures of the year amounted to \$37,162.47. Permission to increase the force by one-half was given in 1873,¹²² and a new salary schedule was drawn up in 1877,¹²³ in which year the expenditures rose to \$68,891.86. A new station house brought a further increase of \$11,000 the next year. The most notable increase came in 1884, when the cost rose to \$113,000. During the eighties the force was rapidly increased: 87 men were enrolled in 1883; 94 in 1885; 130 in 1886; and 165 in 1887.¹²⁴ The expenses for the last year were \$155,861.70 and for the following year (1888) \$182,468.30,¹²⁵ a *per capita* cost of about 90 cents; twenty years before it was about 55 cents.

C. MUNICIPAL REVENUES

1. *The Budget.* Though Milwaukee, like every other city, draws her income from a variety of sources, general taxation is, after all, the principal source of revenue. At the beginning of the period under review, the council still levied the taxes; but the annual session of the legislature was expected to determine exactly how much might be levied for each particular purpose or fund. The new charter gave the aldermen a little more discretion in this matter of fixing a maximum limit in mills; still, even within this limit, the council did not always feel free to levy taxes as it wished. The question was not how much the city needed, but how much the property owners could afford to pay. Before levying the taxes the council had to consider four different budgets, and the demands of one might seriously affect another.

(1) The state budget was prepared in Madison and the city council had to levy Milwaukee's share of the state taxes as a matter of course. A high state tax might mean a lower city tax.

¹²¹ *City Docs.*, 1870-71, 21.

¹²² *Laws of Wis.*, 1873, ch. 129.

¹²³ *Ibid.*, 1877, ch. 80; see also *ibid.*, 1880, ch. 56, by which the salary of the chief is raised from \$2,000 to \$3,000.

¹²⁴ See *City Docs.*, 1886, 18 ff; *ibid.*, 1887, 21; *Sentinel*, Apr. 18, 1883.

¹²⁵ See Table I. The city had 181 men on the force in 1888.

(2) The county budget was prepared by the board of supervisors. As in the matter of the state tax, the council could exercise no discretion with regard to the county tax. Frequently the levy for county purposes was surprisingly high; and it was urged by many that the taxing power of the county board should be limited as closely as that of the council. Mayor Stowell would abolish the county government and transfer its functions to the city government;¹²⁶ this suggestion has since been repeated at various times, but thus far the legislature has taken no notice of it.

(3) The school budget was prepared by the executive committee of the school board.¹²⁷ This would be reported to the board and, if adopted, transmitted to the council. By a four-fifths vote the council might amend the budget, and occasionally did introduce changes, as in 1871, when the commissioners found it necessary to reduce the teachers' salaries in order to meet the reductions made in the estimates by the council.¹²⁸

(4) The municipal budget was prepared by the comptroller. According to the charter this official should report to the council about April 1, of each year, what the expenditures of the city and the wards had been during the past year, and what funds would be needed for the year just begun.¹²⁹ These estimates were then submitted to the finance committee, and later acted upon by the council.¹³⁰ The comptroller would group the items under four main heads: general city funds, contingent funds, sewerage fund, and ward funds. Occasionally there would be special funds, but these were temporary matters. The interest and sinking funds did not exactly enter into the estimates, as the amount to be levied for these purposes would depend entirely on the situation with respect to the debt. The ward funds would differ in amount according to the needs of each particular ward. All expenditures in which the city as a whole was interested would be paid out of the general city fund. These

¹²⁶ *Sentinel*, April 19, 1882.

¹²⁷ See the proceedings of the school board (April or May) for any of these years. (City newspapers.)

¹²⁸ *Annual Report of the School Board*, 1871-72.

¹²⁹ *Charter of 1874*, ch. III, sec. 12. The fiscal year was to date from April 1.

¹³⁰ See the proceedings of the Council (April) for any of these years. (City newspapers.)

would include such matters as expenses incurred in repairing bridges and school houses, tending bridges and guarding the harbor; the expenses of the police, fire, and health departments; funds used in paying salaries, printing bills and insurance; money spent for books, stationery and furniture; for the city offices; and numerous other expenditures of a miscellaneous character. At one time the general fund was of minor importance in the estimates; but as the city increased in size and population this fund grew more and more important until in the early sixties it became the leading part of the budget.

2. *The Tax-Rate.* The charter provided that the council should levy taxes sufficient to support the public schools, pay the interest on the city debt, and provide a sinking fund as required by law. In addition to this there might be levied a tax of 8 mills for the general city fund, 5 for the ward funds, $2\frac{1}{2}$ for the sewerage funds, and 1 mill for the contingent fund, in all $16\frac{1}{2}$ mills for municipal purposes.¹³¹ To this we may safely add 9 mills to meet the requirements of the debt and the public schools. The total would thus be brought up to $24\frac{1}{2}$ mills, if the council should choose to levy the maximum rate in every case. Adding the state and county taxes we should probably have a rate of 3 per cent. or more. As a matter of fact it was about $3\frac{1}{4}$ per cent. in 1874, nearly 8 mills higher than the rate in 1872. In 1875 it was a trifle less than 3 per cent. and suffered a considerable reduction the next few years; but in 1880 it rose again to the high figure of $29\frac{1}{2}$ mills.¹³²

The tax of 1874 was the highest ever levied in the city up to that time.¹³³ When we recall that the early seventies were years of great activity in sewer construction and in laying water pipes, and that consequently heavy special assessments were be-

¹³¹ *City Doc.*, 1873-74: inaugural of Mayor Ludington, 4.

¹³² The following table is from Mayor Stowell's inaugural, April 17, 1883. (*Sentinel*, Apr. 18, 1883.) All regular taxes are included, but not special assessments.

Tax rate (mills)		Tax rate (mills)	
1872	24.8	1877	23.7
1873	29.8	1878	22.1
1874	32.3	1879	21.2
1875	29.3	1880	29.5
1876	23.1	1881	21.

¹³³ *City Docs.*, 1874-75, 38-9.

ing levied everywhere, it is not surprising that the tax payers found the burden of government an onerous one. The old expedient of low assessments was again resorted to. The assessed valuation in 1870 was \$44,048,597.66; ten years later it was \$56,857,853.67.¹³⁴ But this is an increase of only 29 per cent. while the population in the same decade increased 62 per cent. The city had in 1871 definitely adopted the plan of considering each ward an assessment district having its own assessor.¹³⁵ In spite of the fact that the assessors were more or less under the control of the tax commissioner, the standard of value was not the same in all the wards. We are told that some assessors valued property as low as 35 per cent. of its real value, while others tried to approximate actual values.¹³⁶ No improvement came before 1883, when the tax commissioner put forth extra efforts to correct the situation. The assessed valuation which in 1882 was only \$52,000,000 was raised to more than \$70,000,000 in 1883.¹³⁷ Three years later it was \$82,641,763.¹³⁸

3. *The New Tax Laws.* In 1875 the legislature made some slight changes in the tax levy and brought the total up to 17 mills.¹³⁹ Three years later a public library was established and a new levy of $1\frac{1}{2}$ mill was authorized for its support.¹⁴⁰ Meanwhile the taxpayers were becoming impatient. When it became generally known that the tax rate for 1880 approached 30 mills, men began to talk about organized opposition. In January a taxpayers' meeting was held in the office of Mr. S. A. Harrison, at which the situation was discussed with some bitterness. It was shown that unless taxation could be reduced it would be impossible to attract capital to the city, without which Milwaukee could not flourish. The blame for the unfortunate state of affairs was very generally placed on the board of public works, whose eagerness for municipal improvements was too great for

¹³⁴ *City Docs.*, 1873-74, 5; *Sentinel*, Dec. 8, 1880.

¹³⁵ *Laws of Wis. (Local)*, 1871, ch. 108. The term was fixed at two years and the salary at \$600. By a law of 1887 (ch. 489) the salary was raised to \$720 where it still remains (1906).

¹³⁶ *City Docs.*, 1883: Mayor Stowell's valedictory.

¹³⁷ \$70,787,502. (*Ibid.*, 1885, 14-5.)

¹³⁸ *Ibid.*, 1886: Comptr. Report.

¹³⁹ *Laws of Wis.*, 1875, ch. 144: general city funds 7 mills, contingent $1\frac{1}{2}$ mills, sewerage $2\frac{1}{2}$ mills, ward funds 6 mills.

¹⁴⁰ *Ibid.*, 1878, ch. 7.

the civic purse. It was also charged that many of the so-called improvements were neither desired nor desirable, and that in some cases the undertakings did not have the appearance of honesty.¹⁴¹ A few days later a tax league was organized,¹⁴² which in turn appointed a committee of one hundred to whom the work of reform was confided.¹⁴³

It will be seen that this movement resembled somewhat the Albany Hall movement of 1857. But neither in fervor nor in dignity was the later movement comparable to the earlier one.¹⁴⁴ The provocation was not so great, hence the feeling was less intense. However, the committee of one hundred accomplished all that was expected of it. An act was passed in April limiting the tax rate for all purposes, county, state, and school included, to 20 mills. In cases of urgent necessity the limit could be raised to 25 mills; but such an increase must have the support of three-fifths of all the aldermen elected.¹⁴⁵ This was a violent reduction as it probably cut the municipal revenues to less than half of what they were in 1880. The next year the charter was again amended; it was now provided that the aggregate of the municipal taxes, including the school tax and the taxes required to meet the demands of the debt, should not exceed 17½ mills.¹⁴⁶ This of course endangered the schools; it was therefore enacted the next year that the school tax should be limited to 3½ mills and all the other municipal taxes to 14 mills.¹⁴⁷ At this point the matter was allowed to rest. But these laws may perhaps in part have been responsible for the great anxiety shown in those years to have the assessed valuation brought up to a more reasonable total.

The taxpayers' movement was followed by a labor movement in 1882, which succeeded in electing Mr. J. M. Stowell mayor and Mr. Henry Smith comptroller. The new administration did not necessarily stand for lower taxation, but an economical

¹⁴¹ *Sentinel*, Jan. 25, 1881.

¹⁴² *Ibid.*, Jan. 28, 1881.

¹⁴³ *Ibid.*, Jan. 29, 1881.

¹⁴⁴ For an account of a meeting of the committee of one hundred see *ibid.*, Feb. 3, 1881.

¹⁴⁵ *Laws of Wis.*, 1881, ch. 302.

¹⁴⁶ *Ibid.*, 1882, ch. 308.

¹⁴⁷ *Laws of Wis.*, 1883, ch. 310.

administration was expected, as the comptroller, at least, firmly believed in such a policy. The council at first did not accept the recent act in good faith. In 1882 liabilities were incurred beyond the limits of the revenues assigned to the various funds, with the result that an act had to be secured the next year permitting the city to pay the bills.¹⁴⁸ The next year (1883), the levy for municipal and school purposes was about 17 mills, and the state and county levy $5\frac{1}{4}$.¹⁴⁹ The succeeding years even show a decrease.¹⁵⁰

4. *Special Taxes and Assessments.* In addition to the regular taxes, special taxes were allowed from time to time, but not so freely as in earlier periods. These taxes were usually levied on certain wards for paving or other street improvements. Several acts providing for such revenues were passed in 1875¹⁵¹ and 1876,¹⁵² and a few in 1880;¹⁵³ after which year they are very rare. In a few cases special taxes were also levied for sewerage purposes.¹⁵⁴ In 1883 it became necessary to levy a special tax on the entire city to pay certain overdrafts referred to above.¹⁵⁵ But, on the whole, these taxes cannot have added a great deal to the revenues of the city. Special assessments have been discussed elsewhere. They were levied very largely in the early seventies when the water works were being built and the sewerage system was being constructed. Still, as late as 1888, \$366,518.99 was raised by special assessments. The leading items were street improvement (\$147,011), sewer construction (\$101,816.20), and extension of water mains (\$56,115.96).¹⁵⁶

5. *Other Sources of Revenue.* In 1888 the revenues of the city of Milwaukee amounted to \$2,737,775.96. Of this sum \$1,668,481.38 was derived from taxation, \$366,518.99 from

¹⁴⁸ *Ibid.*, ch. 321.

¹⁴⁹ *City Docs.*, 1883; Comptr. Rep., 11.

¹⁵⁰ *Ibid.*, 1885, 15-6: 1886, Comptr. Rep.

¹⁵¹ *Laws of Wis.*, 1875, ch. 322; also ch. 89: 3-mill tax in Fourth Ward.

¹⁵² *Ibid.*, 1876, ch. 159: 2-mill tax in Second Ward. See *ibid.*, 1877, 25: 2-mill tax in Second Ward.

¹⁵³ *Ibid.*, 1880, chs. 13, 14, 15. Special taxes ($2\frac{1}{2}$ to 3 mills) in the Second, Ninth, and Tenth Wards.

¹⁵⁴ *Ibid.*, 1878, ch. 27: *ibid.*, 1885, ch. 432; *ibid.*, 1887, chs. 382, 455.

¹⁵⁵ *City Docs.*, 1883: Comptr. Rep.; *Laws of Wis.*, 1883, ch. 321.

¹⁵⁶ *City Docs.*, 1888, 43: Comptr. Rep.

special assessments, and \$702,775.59 from other sources.¹⁵⁷ As the sum last mentioned is nearly one-fourth of the total, its composition is worthy of some attention. The largest sum, \$293,883.11, was contributed by the water department and formed what was known as the water fund, a fund devoted exclusively to the needs of the water works, the payment of maintenance expenses and interest, and the formation of a sinking fund. The municipal court in one way or another yielded a revenue of \$24,927.36. The state appropriation to the school fund had by this time become an amount of considerable importance,—\$82,754.60; during the seventies it was hardly more than one-fifth as large. The amount derived from licenses had also increased in the same ratio. In 1873 the fee for license to sell liquor was only \$30, and the revenue from all licenses \$31,838.¹⁵⁸ The next year, with the fee increased to \$50, the sum received was \$47,753.30.¹⁵⁹ Some years later (1883), the fee was raised to \$75, and this increase with a constantly growing number of licenses brought the revenue from this source (in 1885) up to \$80,000, approximately, other licenses not being considered.¹⁶⁰ In 1885 the legislature fixed the fee at \$200, and that year the city had an additional revenue of \$105,000 that the makers of the budget had not counted on.¹⁶¹ In 1888 the granting of licenses of all sorts yielded an income of \$268,272;¹⁶² more than nine-tenths of this came from liquor licenses.

¹⁵⁷ *Ibid.*

¹⁵⁸ *Ibid.*, 1874-75, 37.

¹⁵⁹ *Ibid.*

¹⁶⁰ *City Docs.*, 1885, 24.

¹⁶¹ *Ibid.*: Comptr. Rep.

¹⁶² The income of the city in 1888 from sources other than taxation and special assessments is shown in the following table taken from the Comptroller's Report for that year:

Water department.....	\$293,883 11
Sewer permits.....	3,429 00
Licenses	268,272 00
Insurance tax.....	14,343 16
State aid to schools.....	82,754 60
Interest on bank deposits.....	15,165 75
Municipal court.....	24,927 37

\$702,775 59

D. THE MUNICIPAL DEBT

1. *The Readjustment Bonds.* Milwaukee began the fiscal year 1871 with a debt of \$779,793.52. Of this the larger part, \$677,140.92, existed in the form of readjustment bonds and scrip; a small sum of \$6,000 was of a miscellaneous character, while the remainder, \$102,652.60, represented what was still due on the Hasbrouck judgment. This last debt was to be paid in two instalments due respectively February 2, 1872, and February 2, 1873.¹⁶³ The readjusted debt was being reduced in a very satisfactory manner. The law of 1861 provided for an ample sinking fund and also demanded that each year there should be levied a certain definite amount for interest purposes; namely, enough to pay the interest on the original issue. As bonds were being retired every year, this levy produced an increasing surplus which helped to swell the sinking fund. In 1877 the comptroller reported that after four years there would be enough in this fund to retire the whole issue. The bonds did not mature before 1891 and drew but 5 per cent. interest, still the holders did not seem anxious to have them redeemed, and the public debt commission found it difficult to call these bonds in as rapidly as the law permitted, especially as many of the holders lived in Europe.¹⁶⁴ In 1880 the entire readjustment issue had been reduced to \$302,000.00;¹⁶⁵ in 1884 \$243,500 of this debt still remained unpaid.¹⁶⁶ The reason for the slow reduction at this time was that few bonds were being presented for redemption and the commission was reluctant about forcing matters, not knowing how such action might affect other securities.¹⁶⁷

2. *Water Bonds and Railway Bonds.* The old debt was thus quietly being disposed of; but in a few years the city found it had a larger debt than ever. On April 21, 1875, Mayor Ludington reported that the city owed \$2,581,301.40, not including a

¹⁶³ *City Docs.*, 1870-71, 25-6.

¹⁶⁴ *City Docs.*, 1876, 23. The law required a previous notification.

¹⁶⁵ *Ibid.*, 1880, 154.

¹⁶⁶ *Ibid.*, 1884, 24.

¹⁶⁷ *Ibid.*, 1876, 23.

remainder of the guaranteed railway debt that had not yet been paid.¹⁶⁸ This great increase came from three sources: (1) the water works which had cost so much more than had been anticipated; (2) a part of the old railway debt which the courts had finally decided was to be paid by the city; (3) new bond issues, recently executed for municipal improvements.

In June, 1871, the city was able to force the readjustment debt below the half million mark, and the issue of water bonds began, \$900,000 being issued the first year. Investors were somewhat cautious at first and asked a discount, but as there was a heavy demand for these bonds at home, they were soon taken freely in the East also.¹⁶⁹ To secure the investors, the act authorizing the issue of the water bonds had limited the principal of the city's debt to 5 per cent. of the assessed valuation, the average of the assessments for the five years preceding being taken as a basis.¹⁷⁰ This limitation was later made a charter provision.¹⁷¹ The law also called for a yearly tax sufficient to meet all the interest and to retire 5 per cent. of the principal. It will be remembered that two additional bond issues had to be authorized before the water works could be completed. In 1875 the water debt was \$1,600,000. Additional issues of water bonds were made in 1883 (\$150,000)¹⁷² and in 1886 (\$250,000), the latter being authorized in 1885 for extending the system.¹⁷³

For ten years after the issue of these bonds, no effort seems to have been made to reduce the debt. At the close of the fiscal year 1883 only \$76,000 had been retired.¹⁷⁴ The sinking fund, however, was growing and a few years later received notable contributions from the works themselves: \$10,000 in 1884¹⁷⁵ and \$55,000 two years later.¹⁷⁶

The case of the Beloit and Superior railway bonds has been stated elsewhere. It was thought by some that the city should

¹⁶⁸ *Ibid.*, 1874-75, 18. The Beloit and Superior bonds are included.

¹⁶⁹ *Ibid.*, Comptr. Rep., 23.

¹⁷⁰ *Laws of Wis. (Local)*, 1871, ch. 406, sec. 10.

¹⁷¹ *Charter of 1871*, ch. XI.

¹⁷² *City Doc.*, 1883: Comptr. Rep.

¹⁷³ *Ibid.*, 1887, 19-20; *Laws of Wis.*, 1885, ch. 307.

¹⁷⁴ *City Docs.*, 1884, 4.

¹⁷⁵ *Ibid.*, 1886, 18.

¹⁷⁶ See above: expenditures.

not wholly repudiate these bonds, but should try to effect some compromise with the holders.¹⁷⁷ This was not done, and in 1872 came the news that the United States Supreme Court had held the bonds valid. It is not strange that the city was reluctant about paying these bonds, as no equivalent had ever been received. They had not yet matured; but interest had accrued to the amount of \$224,000,¹⁷⁸ and this had to be provided for. The legislature was again appealed to and permission secured to issue scrip in payment of this interest. This scrip was to be paid in five annual instalments beginning February 1, 1874. The total amount issued was \$242,959.19 and the annual payment was about \$48,000.¹⁷⁹ A special tax was levied to meet these payments.

According to a legislative act of March 11, 1876, which provided for a bond issue (\$200,000) for the payment of this debt,¹⁸⁰ bonds to the sum of \$100,000 were issued that year and the proceeds used to retire the Beloit bonds.¹⁸¹ As the rate fixed was 7 per cent., the council decided to issue no more until the law could be amended.¹⁸² In the meantime, the Superior bonds were paid as presented out of the general city fund.¹⁸³ At the close of the fiscal year 1877, this debt had been reduced to \$5,000.¹⁸⁴ Of the guaranteed railway debt \$314,000 was still outstanding.¹⁸⁵ It was claimed that the bonds had been paid but had perished (some of them at least) in the Chicago fire, and hence had never been presented for cancellation.¹⁸⁶ No trouble ever seems to have arisen with regard to these bonds; they were probably paid as claimed.

3. *Other Bond Issues.* As the city desired to use all its energies in reducing the readjustment debt, in 1871 the legislature permitted the issue of \$250,000 in general city bonds as soon as the

¹⁷⁷ See *City Docs.*, 1870-71, 26; 1871-72, 15-6: Suggestions from Comptroller Quinn and Mayor-Hooker.

¹⁷⁸ *Ibid.*, 1872-73, 34.

¹⁷⁹ *City Docs.*, 1874-75, 35.

¹⁸⁰ *Laws of Wis.*, 1876, ch. 311.

¹⁸¹ *City Docs.*, 1876, 23.

¹⁸² *Law of Wis.*, 1877, ch. 11.

¹⁸³ *City Docs.*, 1876, 24.

¹⁸⁴ *City Docs.*, 1877: Comptr. Rep., 25.

¹⁸⁵ *Ibid.*

¹⁸⁶ *Ibid.*, 1876: Comptr. Rep., 26

legal limit should be reached. These were to be used in paying debts and providing bridges and school houses.¹⁸⁷ \$242,000 was the sum finally issued. For some years, these, with the \$100,000 issue mentioned above in connection with the Beloit railroad debt, were the only bonds issued aside from those used in financing the water works. During these years the debt was generally decreasing: the five years 1874–1879 saw a reduction of \$331,000. But in 1882 began a long series of bond issues and a consequent increase in the municipal debt, an increase that nearly every year exceeded the amount retired by the public debt commission.¹⁸⁸ An issue of bridge bonds, \$90,000, was made in 1882,¹⁸⁹ and a similar issue of \$71,000 in 1883.¹⁹⁰ The legislature in 1883 also authorized the council to issue \$150,000 in what was called water works refunding bonds and an additional issue of a similar amount was permitted two years later.¹⁹¹ These loans were promptly made and the proceeds used in building bridges and school houses, purchasing school house sites, paying for garbage collection (\$9,000), and helping to maintain the city hospital (\$1,000).¹⁹² Bonds to the sum of \$850,000 (including an issue of water bonds, \$250,000, in 1886) were issued in the two years 1886 (\$400,000) and 1887 (\$450,000). Only \$85,000 was added to the city debt in this way the next year,¹⁹³ but after 1888 bond issues in large sums came to be the rule each year. The bonded indebtedness January 1, 1889, was \$2,948,500.¹⁹⁴

E. THE PERIOD IN REVIEW

In 1871 Milwaukee still had some of the characteristics of a group of overgrown villages. With pain Mayor Ludington had seen how the council too often was swayed by sectional inter-

¹⁸⁷ *Laws of Wis. (Local)*, 1871, ch. 406. See also *City Docs.*, 1874–75: *Comptr. Rep.*

¹⁸⁸ See Table III.

¹⁸⁹ *City Docs.*, 1884, 25.

¹⁹⁰ *Ibid.*

¹⁹¹ *Laws of Wis.*, 1883, ch. 154; *ibid.*, 1885, ch. 307.

¹⁹² *Comptr. Rep.*, 1897: comparative financial statement, 1884–1897.

¹⁹³ *Ibid.*

¹⁹⁴ *Ibid.*

ests. "Let us forever bury these . . . and be all Milwaukee."¹⁹⁵ This much-desired state of affairs could be realized only when the city was ready to enter upon certain large common undertakings, as it was compelled to do in the period under survey. In 1871 the city had no water works, practically no paved streets, and only the beginnings of a sewerage system; the fire department was on half pay, the police force was inadequate, and the health department enjoyed little more than a nominal existence. At the same time the population was increasing rapidly; in 1870 it numbered 71,440. But all these deficiencies were removed before the period closed. First came the sewers, next the water mains; and after 1874 the board of public works turned its attention to the streets and began particularly to study the pavement question. In 1875 the cost of the work done under the orders of the board was nearly \$600,000.¹⁹⁶ But large improvements mean heavy taxes, as the citizens of Milwaukee have frequently learned. The complaint of the taxpayer grew so loud that Mayor Black in 1878 found it advisable to discuss the peculiar situation of the city with respect to settlement and area. The high taxes were due to the fact that the population was spread over an "unusually extensive area," twice that of many other cities of similar rank as to population.¹⁹⁷ The story of the taxpayers' movement in 1880 and 1881 has already been told. For a few years in the early eighties the board of public works was unable to undertake any extensive improvements, partly because funds were no longer available and partly because both materials and labor were hard to get.¹⁹⁸ But every year the demand for all manner of improvements became more insistent;¹⁹⁹ and after 1884 we find the board as active as in the previous decade. There was this difference, however, that the greater part of the expenses incurred for public works was now being paid with the proceeds from bond issues.

¹⁹⁵ *City Docs.*, 1870-71, 15.

¹⁹⁶ \$598,589.14. If we add the cost of the improvements made by the owners of lots, the total would probably rise to \$850,000. *City Docs.*, 1874-75: Report of Board of Public Works, 16.

¹⁹⁷ *Ibid.*, 1877, 12.

¹⁹⁸ *Ibid.*, 1881: Report of Board of Public Works.

¹⁹⁹ *Ibid.*, 1883, 5.

The growth in expenditures was paralleled by a growth in revenues. In 1871 the taxes levied by the council (state, county, city, and school) amounted to \$924,082.61; of this total the sum of \$676,877.32 was for strictly municipal purposes.²⁰⁰ In the closing year of the period the tax levy was \$2,107,946.31, of which the needs of the city claimed \$1,668,481.38.²⁰¹ During the intervening years, the city had discovered new sources of revenue, such as water rates, and had also learned to utilize more fully certain old sources, especially those of the license type. While the municipal revenue derived from sources other than taxation was only \$76,736.98 in 1871,²⁰² it amounted to \$702,775.59 in 1888, a sum nearly ten times as great.²⁰³ At the same time the debt grew from \$779,793.52 when the period began to \$2,948,500 at its close.²⁰⁴

Throughout all these years the city enjoyed excellent credit. No difficulty was experienced in disposing of bonds at par, or even at a premium: the issue of 1876 brought a premium of nearly 3 per cent.²⁰⁵ We had occasion earlier to speak of the difficulties encountered in trying to keep orders at par, as the holder could not always get the cash on presentation, but had to wait until the taxes began to come in. The new charter empowered the council to borrow money in anticipation of taxes, and on the comptroller's suggestion in 1874 the aldermen decided to make use of this power. The experiment proved successful and the difficulties disappeared.²⁰⁶

The municipal credit was further strengthened by a prevailing feeling that the authorities were anxious to have the city live within its means. Twice, however, in 1880 and in 1882, did the comptroller's report show unfavorable balances;²⁰⁷ but the irreg-

²⁰⁰ *City Docs.*, 1871-72, 14.

²⁰¹ *Ibid.*, 1888: *Comptr. Rep.*, 44-5.

²⁰² *Ibid.*, 1871-72, 15.

²⁰³ *Ibid.*, 1888: *Comptr. Rep.*, 43.

²⁰⁴ See Table III.

²⁰⁵ *City Docs.*, 1876, 28.

²⁰⁶ *Ibid.*, 1873-74, 38; *ibid.*, 1874-75, 41. As it was customary for contractors to add to their bids an amount equal to the probable discount on their orders, the new policy resulted in quite a saving to the city, as it caused bids to drop to lower figures.

²⁰⁷ *City Docs.*, 1880: *Comptr. Rep.*, 19; *ibid.*, 1883, 12. In 1880 the general city fund was overdrawn to the amount of \$105,135.89.

ularity was not serious enough to affect the city's credit. In 1885 the credit balances were so favorable that (for the first time in her history) Milwaukee was able to pay all orders on presentation without having to make any loans in anticipation of taxes.²⁰⁸

²⁰⁸ *Ibid.*, 1887, 19-20. During this period Milwaukee had a dishonest comptroller. It was discovered in 1884, that eight bonds had been "purloined by a former city official in whose custody they had been placed for safe keeping." (*Ibid.*, 1885, 14.) The city protested against paying these bonds, but was compelled to do so. The official in question was tried for embezzlement and convicted. (*Ibid.*: Comptr. Rep., 25.)

CHAPTER VI

A PERIOD OF LARGE UNDERTAKINGS: 1889-1904

Since 1874, the government of Milwaukee has suffered but few important changes. The charter adopted in that year is still the fundamental law of the city. It is true, the legislature has from time to time passed certain important amendments; new administrative organs have been created; some of the older departments have to some extent been remodeled; the limits of official authority have been fixed more definitely; but, on the whole, the administrative system remains very much as it was outlined in the consolidated charter of 1874. During the last fifteen years, the most important changes have been the establishment of a city service commission and the creation of a board of park commissioners.¹ Of these the former is not important for present purposes and the latter will be discussed in another connection.² The school board has also undergone certain interesting transformations which will be indicated under the head of school expenditures.

A. MUNICIPAL REVENUES

1. *Fiscal Administration.* It may be well at this point to outline briefly the administrative system of Milwaukee, especially so far as it concerns the matter of finance. The government of the city is vested in the mayor and the council, a body composed of forty-six members, two from each ward.³ In addition

¹ See *Laws of Wis.*, 1895, ch. 313; *ibid.*, 1897, ch. 218. The commissioners, four in number, are appointed by the mayor for a term of four years; they receive no compensation.

² See under park expenditures.

³ By a charter amendment passed in the legislative session of 1907, the number has been changed to one from each ward and twelve at large.

to the mayor and the aldermen, the electors choose a treasurer, a comptroller, and a city attorney. The terms of all elective officers are two years, except in the case of the city attorney, who serves for four years. The mayor, the comptroller, and the city attorney enjoy salaries of \$4,000 per year; the treasurer is paid \$5,000; and the aldermen draw the magnificent sum of \$400 for a year's work.⁴ The council meets in regular session each alternate Monday; it selects its own presiding officer who also acts as mayor when that official is absent from the city or is otherwise incapacitated. The council also selects the city clerk; but all other appointive officials are chosen on the mayor's nomination. In a number of cases the mayor has absolute power of appointment, especially in cases where the office carries no compensation with it. Members of the park board, the public debt commission, the fire and police commission, and the like, are therefore chosen directly and finally by the mayor.

The mayor of Milwaukee is not an imposing official. He has large supervisory powers but little real authority; the duties and powers of the various officials are quite definitely fixed, and while the mayor may suggest, he must not dictate. Though nominal head of the fire and police departments, he has very little to say in matters of appointments and removals. The council nominally controls the tax levy and regulates the expenditures; but, as a matter of fact, the various boards also exercise extensive powers in these matters. With respect to the school fund, the council merely registers the will of the school board. It cannot change the totals. The public debt commission estimates the demands of the municipal debt, and the council practically is compelled to levy the sum asked for. In general this criticism might be passed on the Milwaukee system: the various boards, to which definite parts of the council's authority have been assigned, though perhaps not enjoying too much power, exercise their authority too much in isolation. Of course, these boards cannot always dictate as to how much revenue shall be raised; but they are able to create conditions that the common council would find it difficult to ignore. In the man-

⁴ *Laws of Wis.*, 1889, ch. 159.

ner of expending the revenues assigned to their particular fields, these boards enjoy considerable freedom of choice.

The assessment is made each year by the ward assessors in the months of May and June. The assessors are virtually appointed by the tax commissioner⁵ and work under his direction. He has authority to change their estimates and occasionally does so. The assessment rolls are examined by a board of review composed of the mayor, the city clerk, the tax commissioner, and the assessors. In preparing the budget the comptroller has the principal part, though his estimates are examined and may be changed by the finance committee or by the council itself when the budget finally comes before it.

In disbursing the revenues collected, the principal organs are the school-board, the public debt commission, and the board of public works. The school-board disburses about \$1,100,000 annually of which a little more than one-half is derived from city taxes.⁶ This board is not accountable to the council. The public debt commission disposes of about \$800,000 every year. The public debt at the present writing (August, 1906) including bonds authorized that the public debt commission may negotiate at any time, amounts to \$8,464,500.⁷ The yearly interest on this requires between \$300,000 and \$400,000, and it is a general provision of the laws authorizing these issues that 5 per cent. of the debt shall be paid each year;⁸ this calls for another sum of \$400,000 or more. The duties of the commission are clearly defined by law, and over its actions the council has no control. The board of public works, however, is the council's own right hand, and is subject to its supervision; still, it is clear that a board whose duties are so extensive and so varied must frequently be left to its own discretion. In 1904 the revenues at the board's disposal including special assessments and the proceeds of bond issues, amounted to nearly \$2,500,000.⁹ Thus

⁵ The mayor appoints the assessors on the tax commissioner's recommendation, and the council confirms the appointment.

⁶ State appropriations, county taxes, and tuition from non-resident pupils make up the remainder.

⁷ See Milwaukee newspapers, Aug. 4 and 5, 1906.

⁸ Perhaps it would be better to call this a general policy; it does not seem to be absolutely required.

⁹ See the report of the board for 1904.

these three commissions disbursed nearly \$4,500,000 of the public funds in that year.

2. *General Taxation.* In the matter of taxation there is nothing to chronicle that is particularly new. The tax rate remains as fixed in 1883: a maximum of 14 mills for municipal purposes and $3\frac{1}{2}$ mills for school support. However, the legislature has at various times added special taxes for various purposes, so that the limit is at present nearer $19\frac{1}{2}$ than $17\frac{1}{2}$.¹⁰ In 1889 the council levied a city tax of $18\frac{1}{4}$ mills. Of this levy, $3\frac{1}{4}$ mills were for school purposes and a little more than $1\frac{1}{2}$ for interest and sinking fund. To this was added a state and county levy of nearly $4\frac{1}{4}$ mills which brought the total up to about $22\frac{1}{2}$. During the nineties the tax rate for city purposes was reduced somewhat; but as the state and county called for increasing amounts, the total remained about the same or rose to slightly higher figures. In 1896 it was 23.69 mills, but the following year shows a lower rate;¹¹ in 1904 it was 22.88 mills.¹² During the same years there was a steady increase in the assessed valuation. From \$100,498,200 in 1889,¹³ it rose to \$184,321,691 in 1904.¹⁴ This is an increase of 84 per cent.; the increase in population in the same period was about 70 per cent.

The total amount of taxes levied in 1889 was \$2,259,011.46.¹⁵ In 1904 it was \$4,218,309.07.¹⁶ The increase here is about 82 per cent. The city taxes, including the city school taxes for these years, were \$1,833,746.71 and \$3,213,449.58, the increase during the period being 88 per cent. Special assessments were levied to the amount of \$453,619.54 in 1904. More than half of this sum was used for street work.¹⁷ Of revenue from other sources the city had a considerable amount in that year: \$1,196,940.99.¹⁸

¹⁰ At present the additional levies are: school repairs, one-half mill; parks and boulevards, one-half mill; civil service commission, one-fifth mill; historical museum, one-fifth mill; auditorium, one-half mill; with these the maximum tax limit for municipal purposes becomes $19\frac{1}{4}$ mills. See Comptroller Bechtner's statement in the *Wisconsin*, July 7, 1906.

¹¹ 23.12 mills. See *Comptr. Rep.*, 1897: financial statement.

¹² *Ibid.*, 1904, 34.

¹³ *Comptr. Rep.*, 1889.

¹⁴ *Ibid.*, 1904, 34.

¹⁵ *Ibid.*, 1889.

¹⁶ *Ibid.*, 1904, 31.

¹⁷ *Ibid.*, 30-1; *ibid.*, 1897: financial statement.

¹⁸ *Ibid.*, 1904, 32.

(This does not include the state aid to schools.) The sum was largely made up of water rates (\$469,893.22) and license fees (\$452,351.64); the next largest sum was the street railway tax, \$98,665.91.¹⁹ The local traction company pays a tax of 4 per cent. of its gross receipts; but of this a part goes to the state, a part to the county, and another part to the various towns outside the city through which the lines of the company run. About three-fourths of the entire sum falls to the city of Milwaukee.

3. *The Water Fund.* When the water works were built, it was feared by many that under municipal management the project would not be successful. That fear was soon dissipated. The water works not only furnish water at a remarkably low rate,²⁰ but are a source of revenue to the city. In his report for 1902, the city engineer stated that since 1891 the water department had "been entirely self-sustaining, paying the operating expenses, the interest on the bonded debt, and the amount due to the sinking fund."²¹ It has also frequently yielded a surplus. In 1892 the general city fund received \$15,000 from this source; the next year \$40,000; in each of the following two years \$80,000. In 1901 \$201,265 was transferred from the water fund to the general city fund; the next year \$100,000.²² The total receipts of the water works rose from \$317,244.71 in 1889 to \$420,129.58 in 1892, and \$512,839.67 in 1896. For the next four years, the average receipts were \$450,000.²³ During these years, the rates were being equalized and reduced, which fact no doubt accounts for the decrease in the receipts. In 1901 the amount received was \$537,105.18; in 1904 it was \$535,532.09.²⁴

The power of the common council to transfer money from the water fund to other funds has always been questioned and the matter is now before the courts. When the water fund was established, it was declared to be for water works purposes only;

¹⁹ *Ibid.*

²⁰ The rate is 4½ cents per 100 cubic feet.

²¹ *Report of Board of Public Works, 1902, 87.*

²² See *Report of Board of Public Works* for these years.

²³ *Ibid.*, 1901, 81; *ibid.*, 1902, 87.

²⁴ The income is almost exclusively from water rates. These are collected quarterly by an official called the water registrar.

and it is held by the critics that when a surplus begins to accumulate the rates should be reduced. The city, it is claimed, is virtually in debt to this fund more than half a million dollars. On the other hand, those who support the council's action point to the fact that before the works became self-supporting the other funds had to be drawn on to assist in meeting the water works expenditures. A decision adverse to the city would be likely to create something of a tangle in the financial affairs of Milwaukee.²⁵

B. MUNICIPAL EXPENDITURES

1. *Regular Expenditures.* The general expenses of Milwaukee, the accounts of the long established city and ward funds, show very little of interest for the last fifteen years. It is the special expenditures, the large, somewhat belated undertakings, that attract and hold our attention. During the decade 1890 to 1900 a considerable area was annexed to the city and the population increased 40 per cent. We should therefore expect a corresponding increase in the accounts. We find that during the same decade the expenses of the fire department increased 43 per cent., and those of the police department 62 per cent. It may be remarked in passing that Milwaukee has at present an exceedingly efficient police force. There was a slight decrease in the cost of bridge repairs, but the expenses for bridge tending showed an increase of 120 per cent. This increase can be readily explained. The building of large viaducts and bridges would necessarily call for a larger and better paid force. The expenses for docking and dredging were only a little more than half as great in 1900 as they were in 1890. An increase of 38 per cent. appears in the cost of printing, stationery and books, and one of 30 per cent. in the matter of salaries. The accounts of the health department show an increase of about 100 per cent. caused by the great expansion of this service which will be discussed later in this chapter. In general, these expenditures rose from \$750,000 in 1890 to \$1,100,000 in 1900, the increase thus being about 43 per cent.

* The litigation has been started by the local electric lighting company in the hope of preventing the establishment of a municipal lighting plant.

2. *Sewers and Flushing Tunnels.* When the sewer system was planned about forty years ago, the Milwaukee river was made a part of the same. The larger part of the sewage finds its way into the river and is carried by the current into the lake. It happens, however, that for the greater part of its course through the city, the river flows almost without a current; hence, as the city grew, the "river nuisance" finally became unbearable. As was stated in an earlier chapter, the council at last decided to build a series of intercepting sewers that would throw the sewage directly into the lake, and began the building of one in the Menomonee valley. But as time passed, it came to be realized that this method of furnishing relief would not become effective for a number of years. It was then proposed to construct a tunnel from the lake to the river through which water might be pumped into the same, in order to produce a more vigorous current. The plan was opposed by many who felt that the river should not be used as a sewer;²⁶ but it was shown by the city engineer that the intercepting system would cost at least \$965,000, an amount that would bring the total city indebtedness far beyond the debt limit, and hence could not be raised. The cost of a flushing tunnel he estimated at \$225,000.²⁷ On these representations the council decided to build the tunnel. It was completed in September, 1888, at a cost, including machinery, etc., of \$240,744.88.²⁸ Mayor Brown who opposed the plan in his inaugural spoke of the flushing tunnel the next year as the "most important public improvement made since the building of the water works." He added that its construction had given the city engineer a national reputation.²⁹ The operating expenses for the next few years averaged about \$20,000 annually; for the entire period the average would be nearer \$18,000 a year. About the same sum was needed to operate the intercepting sewer in the Menomonee valley.³⁰

At the same time there was a continuous demand for new sewers. Before 1893 the demand could not be met owing to lack

²⁶ *City Doc.*, 1888: Mayor Brown's inaugural, 20-1.

²⁷ *Ibid.*, 1887: Report of Board of Public Works, 119.

²⁸ *Ibid.*, 1888: Report of Board of Public Works.

²⁹ *Ibid.*, 1889: Mayor's address, 17.

³⁰ See the reports of the board of public works (*City Docs.*).

of funds.³¹ But in that year the board of public works laid nearly 25 miles of sewers. In 1894, 20 miles were laid, and the next two years 26 miles more. Since 1896, an average of 8 miles has been constructed yearly.³²

3. *The Water Works.* The heaviest expenses connected with the water works came in the early nineties when it was found necessary to build a new intake. A resolution providing for this improvement was passed April 7, 1890, and the first contracts were awarded the following June. On July 23 ground was broken by Mayor Peck and the work began. The contractors, however, could not carry it through successfully and in 1893 (October 17) the board of public works took charge, though the work was continued at the contractors' expense. Two years later (September 25, 1895) the intake was ready for use. The total cost, including inspection, machinery, etc., was \$603,844.19, 20 per cent. more than the engineer's estimate.³³

In addition to building the new intake, the board of public works continued the work of construction and extension as before, especially in the way of laying new water mains. In 1889, the year before the new intake was contracted for, the construction account was \$93,376.34; in 1896 with this improvement just completed it was \$105,870.70. After that year there was a yearly reduction in the expenditure, until in 1899 it reached \$30,733.82. Since then the yearly amount spent has been about \$90,000. With all this extension we should expect a considerable increase in the maintenance expense; but such is not the case. In 1889 this expense amounted to \$120,819.26, and for the next eleven years the average was \$124,000.³⁴ Since 1900 the reports show an increase in the maintenance account of about \$8,000 each year (1901-1904).

4. *The Park System.* One of the most important improvements of the period was the creation of a splendid system of parks. All through the history of Milwaukee we find a demand for parks, but the demand was not heeded. An elaborate act was

³¹ *City Docs.*, 1892: Report of Board of Public Works: *ibid.*, 1893, 11.

³² See *Report of Board of Public Works*: 1893, 11.

³³ *Ibid.*, 1895; *ibid.*, 1896, 13: Mayor Koch's valedictory. The total cost of the water works up to Apr. 21, 1896, was \$4,633,435.39.

³⁴ These figures are from the reports of the board of public works.

passed in 1875 providing for a park commission with extensive powers;³⁵ but the law was repealed the following year.³⁶ The few spots set apart for park purposes in the seventies and eighties were small and hardly deserved the name of parks. Mayor Wallber in 1886 mentioned four such places in his inaugural address, and added that they were in a fair condition, "all things considered."³⁷ Evidently there was nothing remarkable about them. The next year the city began to improve what it had and spent \$21,069 in beautifying Juneau Park on the lake front.³⁸ This park and Kilbourn or Reservoir Park were in charge of the board of public works.³⁹ After 1887 the board spent only a few thousand dollars yearly for park purposes.⁴⁰

But in 1889 certain public spirited citizens interested themselves in this subject and secured the passage of a bill enabling the city to purchase park sites. The measure also created a board of park commissioners, five in number, each serving for a term of five years. The commissioners were to be appointed by the mayor, and were allowed no compensation whatever.⁴¹ The board was appointed the same year (1889) and proceeded at once to issue park bonds and to negotiate for sites. The provisions of the act, however, seriously hampered the commission, as only \$100,000 could be used for the purchase of lands, and the board in selecting these was limited to those parts of the city lying north of North Avenue and south of the Menomonee river. Outside the city limits the commission could make no purchase. Still, by October, 1890, the city had five new park sites, two on the East Side and three on the South Side.⁴²

When the next legislature met, a law was secured empowering the park board to purchase lands anywhere in Milwaukee county. A supplementary act authorized a further issue of bonds,

³⁵ *Laws of Wis.*, 1875, ch. 298: park commission for West Side.

³⁶ *Ibid.*, 1876, ch. 11.

³⁷ *City Docs.*, 1886, 17.

³⁸ *Ibid.*, 1887: Report of Board of Public Works.

³⁹ *Ibid.*, 1891. Also a few squares in the various wards.

⁴⁰ *Ibid.* In 1891 the board spent \$3,961.28 in improving the parks under its control.

⁴¹ *Report of Board of Park Commissioners*, 1891, 5 ff.

⁴² *Report of Board of Park Commissioners*, 1891.

\$150,000 for 1891 and \$70,000 for 1892. The law also provided that one-third of the issue of 1891 should be used to establish a park on the West Side and the rest to pay interest and make payments on the debt already incurred. It further authorized a $\frac{1}{2}$ -mill tax for park purposes which in 1891 netted \$56,837.56.⁴³ Other bond issues were authorized later.

The land purchased in 1890 cost \$597,158.75. This was to be paid for by instalments; the first instalment, \$79,452.29, was paid that same year.⁴⁴ Further purchases were made the next year; for the report of the commissioners for 1891 showed that the city had purchased a park area of 398.1 acres for which there was to be paid \$1,039,644.20. Of this sum only a relatively small payment of \$189,066.33 had actually been made; there remained therefore, a park debt of \$850,577.87. Still, the amount owed was nearer \$800,000, as there remained a balance in the available funds of \$47,647.93.⁴⁵

The work of improving the park lands began in earnest in 1891. Much preliminary work was necessary especially at Lake and West parks. The South Side parks were practically completed when the board reported in 1893.⁴⁶ In 1891 the board disbursed the sum of \$267,385.63. This amount includes payment on lands, interest payments, improvement expenditures, salaries, and the like.⁴⁷ Since that year there has been a steady decrease in this account as we should expect after the work of improvement was finished. In 1891 a beginning was made toward a system of boulevards. An act of that year declared parts of certain streets to be boulevards and placed the board of park commissioners in charge of them.⁴⁸ However, little progress has been made in this direction; after fifteen years Milwaukee has only one or two miles of boulevards.⁴⁹

5. *The City Hall.* When the city was chartered in 1846, Milwaukee had no place that could be called the city hall. The council met in the basement of a church; the various city officials

⁴³ See report referred to above. *Laws of Wis.*, 1891, ch. 179.

⁴⁴ *City Docs.*, 1890: Comptr. Rep., 24.

⁴⁵ *Report of Board of Park Commissioners*, 1891, 20, 52.

⁴⁶ *Ibid.*, 1893, 7.

⁴⁷ *Ibid.*, 1891, 52.

⁴⁸ *Laws of Wis.*, 1891, ch. 426.

⁴⁹ Statement of Park Commissioner Rebhan in *Free Press*, Aug. 4, 1906.

had their offices wherever they found it convenient. From the church the council moved to the upper story of a stable (1847) and abode there until the building burned in 1850. The home of the corporation was next in the Martin Block and in 1857 rooms were rented in the Cross Block, where the city offices were until 1860, when the block was destroyed by fire. After a few months' residence at the Saint Charles Hotel, the council moved to the Market House which now became the Old City Hall and remained so until 1872, when the city rented the east wing of the court house for city hall purposes, though some of the departments remained in the Old City Hall.⁵⁰ The city was evidently not wholly satisfied with rented rooms, for in 1882 Mayor Stowell spoke disparagingly of the "mutinous agitation for a new city hall" to be built at a cost of several hundred thousand dollars.⁵¹ We should of course expect a mayor elected on a labor platform to discourage a project so expensive as that; but it may be said that at a time when repeated appeals were being made to the legislature to limit taxation in Milwaukee, agitation for a new city hall could hardly be effective. It seems that the legislature was asked to authorize the necessary bond issues; but that body refused. We hear of the matter again in 1886 when Mayor Wallber declares that a city hall must be built.⁵² In 1893 it was finally decided to erect such a building, and in June, July, and August it was put under contract. Two years were allowed for the work, the limit being fixed at August 7, 1895. While the board of public works seems to have supervised the work, it was subject to the control of the common council.⁵³ The building was not completed by August, but by the close of the year it was so nearly finished that it could be taken into use. The common council moved in on December 23, and nearly all the various departments were occupying their new offices before January 1. When finally completed the City Hall had cost, furniture and fixtures included, \$1,016,935.07.⁵⁴ The

⁵⁰ See *Milwaukee* (1881), 270-1.

⁵¹ *Sentinel*, Apr., 19, 1882.

⁵² *City Docs.*, 1886, 18 ff.

⁵³ *Report of the Board of Public Works*, 1893, 23-4; *ibid.*, 1894, 19; *ibid.*, 1895, 18; *aledictory of Mayor Koch*, Apr. 21, 1896.

⁵⁴ *Report of the Board of Public Works*, 1896, 18.

cost of maintaining this large structure has proved a considerable matter, \$24,000 per year being the average.⁵⁵

6. *Library and Museum.* The public library and the public museum both originated in private collections. An organization known as the Young Men's Association had attempted to establish a library for its membership; but during the seventies the society met with discouragements in this matter and offered to transfer its collection of books to the city.⁵⁶ A law was secured in 1878 permitting the establishment of a public library in Milwaukee,⁵⁷ and the collection was accordingly transferred as planned. The public museum originated in a collection begun by Peter Engelmann, a German pedagogue of great local fame, and continued by an association organized for the purpose of establishing a museum. In this body Mr. Engelmann was the leading spirit, and the collection was known as the Engelmann Museum of Natural History.⁵⁸ A movement for a transfer of this museum to the city originated about 1881; and the next year the necessary legislation was passed enabling the city to receive the gift.⁵⁹

The laws establishing these institutions authorized tax levies of one-fifth mill for library purposes and one-tenth mill for the museum. In course of time they outgrew the quarters to which they had been assigned, and soon agitation began for a new building that should house both collections. After much delay, caused in part by the hard times of 1893⁶⁰ and in part by the architect's delinquency, the work was finally begun in 1895.⁶¹ The building was erected under the supervision of the board of public works and the boards of trustees of the library and the museum. It was to have been completed by October 1, 1897;⁶² but, as usual, the time proved too short and it was not opened to

⁵⁵ *Ibid.*, 1896-1904.

⁵⁶ See Conard, *Milwaukee*, 2: 291-2.

⁵⁷ *Laws of Wis.*, 1878, ch. 7.

⁵⁸ Conard, *Milwaukee*, 2: 293-4.

⁵⁹ *Laws of Wis.*, 1882, ch. 328.

⁶⁰ Mayor Koch's Address, Apr. 17, 1894. (See Milwaukee newspapers.)

⁶¹ *Report of Board of Public Works*, 1895, 19.

⁶² *Ibid.*

⁶³ *Ibid.*, 1899.

the public before a year later. The entire cost, including furniture, was \$627,674.42.⁶³

7. *Bridges and Viaducts.* Between the West and the South Sides lies the Menomonee valley, a strip of low land as much as a mile wide in places. At one time the valley was a marsh; now it is given over to manufacturing and railway traffic. The work of reclaiming this region was largely done by a canal commission appointed in 1896. After a time the work was taken over by the board of public works. The cost of the work, about \$200,000, was in part paid by the South Side business men.⁶⁴ The Chicago, Milwaukee, and Saint Paul Railway enters the city through this valley and its tracks occupy a large part of it. It had long been seen that to connect these sections of the city viaducts would be necessary. The railway company built one at Sixth street in 1883, but another was wanted connecting Sixteenth street and Eleventh avenue. In 1887 a law was passed authorizing the building of a viaduct between these points, the northern half of which was to be paid for by the city and the southern half by the railway company.⁶⁵ As the railway corporation was not compelled to accept this act, it soon proved of no effect. Four years later an agreement was reached with the railway authorities according to which the city was to build the viaduct; the railway on its side promised to pay \$125,000 toward meeting the expenditures.⁶⁶ The viaduct was completed in 1896 at a total cost of \$298,991.17, the right of way not included.⁶⁷ During the same years, 1893-1895, the city built the Holton street viaduct between the East and West Sides, the cost of which was \$125,215.75.⁶⁸

No new bridges were built in 1889 or 1890; but in 1891 the bridge at the foot of Michigan street was completed at a cost of \$44,309.62.⁶⁹ For the steel bridge on Clinton street, built in 1893, the city paid \$28,634.47.⁷⁰ The next year the Folsom

⁶³ *Milwaukee* (1881), 473.

⁶⁴ *Laws of Wis.*, 1887, ch. 476.

⁶⁵ *City Docs.*, 1891, 26: Mayor Somer's address.

⁶⁶ *Report of Board of Public Works*, 1895, 26.

⁶⁷ *Ibid.*, 1894, 31.

⁶⁸ *Ibid.*, 1891, 25.

⁷⁰ *Ibid.*, 1893, 36.

street bridge was finished, the total cost being \$59,948.43.⁷¹ Thus in four years, 1893-1896, Milwaukee spent nearly \$450,000 in bridges and viaducts. In addition an average sum of \$20,000 was spent each year for general and special repairs and \$42,000 for bridge tending and maintenance. When these expenditures are added to the cost of the new structures, we have a total bridge account of \$700,000 for these same years. There were also heavy bridge expenses in 1902, 1903, and 1904, in which years four expensive bridges were built, the average cost being \$111,000.⁷² The total bridge expenses for these three years, repairs and maintenance included, were \$725,000.

8. *Streets and Street Lighting.* The expenditures for street improvement during this period show no uniformity in amount from year to year, as some of the other items do. In 1889, the sum was \$370,000; in 1892, \$601,000; two years later \$744,000; in 1896, \$311,000; in 1898, \$238,000; and in 1904, \$404,000. Street sprinkling has cost on the average about \$60,000 annually; in 1904 the sum was \$64,713.79, about half of which was paid by abutting property. The expenditures for street cleaning and removing ashes have grown exceedingly these last fifteen years; in 1889 the cost was \$57,000; in 1904 it was \$262,000.⁷³ In 1893, by legislative permission, a beginning was made with asphalt pavement, the cost of which in 1894 was reported to be nearly \$70,000 per mile.⁷⁴ At that rate the city found it necessary to proceed somewhat slowly in displacing the old pavements. After three years there had been laid only four miles of asphalt pavement. Out of 60 miles of paved streets in Milwaukee in 1896, 55 were still of wood.⁷⁵

For a number of years the subject of street lighting has been of great interest to the people of Milwaukee. The opinion is generally held that the city has been paying too much for its lights; especially for its electric lights. Toward the close of the nineties all the political parties joined in demanding a

⁷¹ *Ibid.*, 1894, 31-2; the same year a small bridge costing \$8,797 was built over the Kinnickinnic river.

⁷² See the reports of the board of public works for those years.

⁷³ The figures given above are gathered from the reports of the board of public works.

⁷⁴ *Report of Board of Public Works*, 1893, 17-8; *ibid.*, 1894, 14.

⁷⁵ *Departmental Reports*, 1896, 15: valedictory of Mayor Koch.

municipal lighting plant, but none has yet been built. In 1900 the council entered into a contract with the local lighting corporation, the Milwaukee Electric Railway and Lighting Company, according to which the city was to pay \$81 per year for arcs fed by overhead wires and \$99 for arcs fed by the underground system. In 1904 the city used 805 of the former and 1,097 of the latter kind. The total cost for electric lighting that year was \$171,697.17. The city also paid \$71,244.24 for gas lights and \$9,051.60 for gasoline lighting, a total of \$251,993.01 for lighting the streets. November 22, 1905, the contract with the lighting plant expired,⁷⁶ and since then electricity has been furnished at no special rate, though the company insists on the old prices. The bills have not yet been paid, but at the present writing attempts are being made to reach a compromise rate, as neither party seems anxious for litigation.⁷⁷

Meanwhile the council rejected an offer of \$65 per lamp for a five-year contract and proceeded to take steps preliminary to establishing a municipal plant. A bond issue of \$500,000 was authorized and a lighting commission, similar to the one that built the water works, was created. It was soon found, however, that the board had no legal existence and the membership dispersed soon after appointment. Since then the lighting company has secured an injunction restraining the city from taking certain steps in the matter, and long litigation is in promise. But this last step on the part of the corporation has, if possible, strengthened public sentiment in favor of the venture and a city lighting plant seems assured. When completed the plant will probably cost \$800,000 or more.⁷⁸

9. *The Garbage Plant.* In recent years the health department has also developed a large and lusty expense account mainly because the collection and disposal of garbage has been made a part of its duties. During the nineties the people be-

⁷⁶ For the statistics quoted see the *Report of the Board of Public Works*, 1904, 30.

⁷⁷ On the controversy between the city and the lighting company see the Milwaukee newspapers for 1905 and 1906, especially those of November and December, 1905.

⁷⁸ For the estimates of the engineer and discussions of the same, see the Milwaukee newspapers for February and March, 1906.

came convinced that the system then employed of burying the garbage was not satisfactory, and along with the call for a municipal lighting plant rose a demand for a garbage crematory owned and operated by the city. The project was endorsed by all the political parties but was not so enthusiastically received by the city council. Finally, in 1898, an ordinance was passed authorizing the issue of bonds to the amount of \$80,000 for the purpose.⁷⁹ The plant was built and put into operation about April 1, 1903. The cost was surprisingly near the estimate: \$80,630.45.⁸⁰ The plant does not seem to have been an unqualified success and is pointed to as the terrible example by the opponents of municipal ownership. It has, however, its defenders who claim that the increased cost of handling the garbage is due to recent increase in the cost of labor and better methods than those in vogue when the garbage was disposed of under the old contract system.

10. *The Public Schools.* The movement for more and better school buildings that we observed in the closing years of the period discussed in the last chapter has continued to the present day. Since 1888 the city has built or has contracted for thirty-four new school buildings. Of these, thirty-one belong to the period embraced in this chapter. The years 1890 to 1895 saw nineteen new school houses, seven of them belonging to 1894. The building activity ceased somewhat after 1895, only four school houses being erected in the next six years. This was largely due to the opposition of the mayor, who claimed that the municipal finances were not equal to the demands of the school board. But in 1902 four were built, and four more the next year. Furthermore, ten additions were built, some of them almost as expensive as new school houses. The average cost of the new buildings was \$54,000; of the additions, \$20,000. In addition sites had to be purchased and some of the older sites had to be enlarged. The total cost of the thirty-one new school houses, twenty-three new sites, ten additions to buildings, and a number of barracks for the fifteen years was \$2,125,-

⁷⁹ See the valedictory of Mayor Rauschenberger and the inaugural of Mayor Rose, Apr. 19, 1898. (*Departmental Reports* or city newspapers.)

⁸⁰ *Report of the Board of Public Works, 1902, 28-9.*

421.40. If we add to this an annual expense of a little more than \$25,000 for repairs and the sum paid for additions to sites, we shall have a total expenditure on the part of the council of about \$2,600,000 or an annual expense of \$173,000.⁸¹

It is a significant fact that while the population during the last fifteen years has increased about 70 per cent. the expenditures of the school board have increased 135 per cent. The period begins with a disbursement of \$391,650.01 (1889-1890) and closes with an expenditure of \$923,728.72 (1904-1905). The yearly increase was fairly regular up to 1896 when the total disbursements were \$680,744.80. The next year there was a drop to \$644,466.94 caused largely by a reduction of salaries, but after that year there was an addition to the budget of about \$30,000 for five years. The salary increase of recent years has caused some variation in the annual growth, which for the last two years of the period was nearly \$70,000.⁸² On the average the school board has spent \$687,000 every year since 1889.⁸³ When we add to this the estimated annual disbursements of the common council, we shall have a total of \$860,000.

The administrative side of the public school system has undergone two recent changes which may be noted briefly at this point. It is evident that the board provided for by the charter of two commissioners from each ward selected by the aldermen of the particular wards could not be satisfactory. In time the board came to be an unwieldy affair, and the manner of appointment was by no means ideal. To remedy both these evils a law was proposed creating, as usual, a commission of four members whose positions were to be wholly honorary so far as a salary was concerned and whose only duty was to appoint a school-board of one director from each ward, to fill vacancies as they occurred, and in general to keep the membership of the board complete at all times. The law was passed in 1897⁸⁴ and remained in force for eight years. But in 1905 it was enacted

⁸¹ The figures and estimates are based on the reports of the board of public works, the comptrollers' reports and the statistics given in the *Manual of the Public Schools*, 1905, 53 ff.

⁸² See the *Manual of the Public Schools*, 1905, 31.

⁸³ To 1904-1905.

⁸⁴ *Laws of Wis.*, 1897, ch. 186.

that Milwaukee should have a school board of twelve directors selected in the first instance by the judges of the circuit in which the city is located and afterwards elected by the people at the regular biennial spring election, four to be chosen at each election.⁸⁵ The board was appointed and took charge in July, 1905. Recently the legality of the act has been called in question and the matter is at present before the courts.⁸⁶ It seems likely that an effort will be made at the next legislative session to restore the old ward representation in the board. The idea that territory is to be represented wherever possible is an old one in Milwaukee and still retains some vigor.

C. THE MUNICIPAL DEBT

Such extensive improvements as those that have been made since 1888 could not be undertaken without resorting to large and frequent loans. We shall find that in these years there was a decided increase in the municipal debt. The fiscal year 1889 began with a bonded debt of \$2,948,500. Four years later the city owed \$4,859,500.⁸⁷ The increase is chargeable to various improvements, especially bridges, school buildings, purchase of park lands, and the new intake. The year 1896 closed with a bonded indebtedness of \$6,352,250; but these four years (1893-1896) saw greater and more varied expenditures than any period of equal length before. In those years Milwaukee was building costly bridges and viaducts; twelve school houses were

⁸⁵ *Ibid.*, 1905, ch. 273. Vacancies were to be filled by the board itself. The act also authorized a tax of 4 mills for school purposes (of which $\frac{1}{2}$ mill was to be used for repairs) and made it the duty of the council to provide the revenue asked for within this limit. The question of bond issues was to be submitted to the electors whenever two-thirds of the school board asked for it; but the bonded debt for school purposes was not to exceed 1 per cent. of the assessed valuation.

⁸⁶ It was urged that the appointment of a school director is an administrative function that should not be exercised by a judge; also that while the law was applicable to cities of the first class generally, it was drawn in such a way that even if any other such cities existed, it could apply to Milwaukee only. The supreme court decided against the legality of the board. A movement was at once initiated looking toward a board based on ward representation; but the legislature refused to apply this method and reenacted the leading provisions of the old law; the number of directors was increased to fifteen, and the appointment was given to a commission consisting of the mayor, the treasurer, the comptroller, the city attorney, and the president of the common council. (1907.)

⁸⁷ See Table III.

erected, seven of them in one year (1894); the new intake was being completed; the parks were being improved; the city hall was being built; work was begun on the library and museum building; and the board of public works was experimenting with asphalt pavement.

At the same time the city was struggling with the financial tempest that swept over the land in 1893 and the following years. The bank that acted as the depository of the city failed; and as this disaster tied up the funds of the city, the officials found it extremely difficult to raise the necessary revenues for current expenses, to say nothing of financing the improvements that were then under way. It would seem that this was a time for retrenchment, but Milwaukee did not retreat; the city continued the improvements begun and was also able to "furnish additional public work to help the unemployed, and to relieve as much suffering as possible."⁸⁸ The city's credit continued good, its bonds selling at a high premium. By agreement with the officials of the bank in question, the city funds were released during the two following years: the city did not lose a dollar.⁸⁹

In discussing this subject two facts must be kept in mind: first the bonded debt of the city can never exceed 5 per cent. of the average assessed valuation for the preceding five years (as the valuation is constantly growing, this places the limit a little below 5 per cent. of the assessed valuation of any given year); second, the city is required to pay off 5 per cent. of its debt each year. This seems to have been religiously done during the early nineties, but each year the new issues far exceeded the amount canceled. At times the public debt commission ran dangerously close to the limit, still there was usually a margin of about half a million and investors seem to have felt safe, in spite of the fact that Milwaukee added more than \$900,000 to her bonded liabilities in one year (1895).

During the two years 1896 and 1897 the city issued bonds to the sum of \$1,675,000 and canceled \$925,750. This left the debt on January 1, 1898, at \$6,728,000, or approximately \$25 *per*

⁸⁸ *Departmental Reports*, 1893, 21: Mayor Koch's address, Apr. 17, 1894.

⁸⁹ *Ibid.*, 1896: Mayor Koch's valedictory, 11 ff.

capita. There is in addition to the bonded debt limit a charter limit of indebtedness which includes all manner of debts and is placed at 5 per cent. of the assessed valuation of the year next preceding.⁹⁰ When the new administration proceeded to issue new bonds, litigation arose and the courts finally decided that the city had exceeded the charter limit by \$51,524.09.⁹¹ This decision together with a professed policy of retrenchment resulted in a reduction of the debt; in 1898 the public debt commission retired \$519,250 and issued only \$80,000 in new bonds.⁹² This issue brought a premium of \$9,095.68.⁹³ The debt was not again permitted to reach the total of 1898 before 1902 when large bond issues were made, increasing the debt about a million dollars and bringing it up to \$7,001,750.⁹⁴ Since then it has risen about \$500,000;⁹⁵ but the debt limit has also been moved and on January 1, 1906, Milwaukee could issue bonds to the amount of \$1,393,762.58 before the limit would be crossed.⁹⁶

D. POPULATION AND POLITICS

As to number of inhabitants, Milwaukee is classed with such cities as Detroit, New Orleans, and Washington. In 1900 the population numbered 285,315; the next census will probably show at least 325,000. The chief matter of interest touching the population of Milwaukee, is, however, not its number but its composition. Milwaukee is a cosmopolitan city. She has drawn her citizenship from all parts of the civilized world. In the old Third Ward, once the heart of the city, the Italian now reigns supreme; while in Kilbourntown the African and the Russian Jew have inherited the earth. The Dutch control a strip farther north, with a Slavic population of many varieties not very far away—of these the Poles are the strongest, numbering more than 50,000 and controlling two or three wards. The Scandinavian elements are located principally on the South

⁹⁰ See Comptroller Bechtner's article in the *Evening Wisconsin*, Jul. 7, 1906.

⁹¹ *Departmental Reports*, 1899: address of Mayor Rose, Apr. 17, 1900.

⁹² *Comptr. Rep.*, 1898, 13-4.

⁹³ *Ibid.*, 13.

⁹⁴ See Table III.

⁹⁵ On Jan. 1, 1906, it was \$7,533,250. See *Evening Wisconsin*, July 7, 1906.

⁹⁶ *Ibid.*

Side. Greeks and Hungarians have their representatives in the city, and occasional Asiatics may also be found. The more distinctly American population is found in greatest numbers on the East Side and in the southern part of the West Side. But most numerous of all is the German element—it is estimated that at least 200,000 Germans, native-born or of German parentage, live in Milwaukee.

It is therefore inevitable that the city should display certain prominent foreign characteristics. On the religious side these are particularly evident. Stronger than all the Protestant churches combined is the Catholic church with its large German, Polish, Irish, and Italian parishes. Of the Protestants, more than half belong to Lutheran churches, mainly German and Scandinavian. The presence of these two powerful organizations has created an interesting situation in the system of elementary schools: about forty per cent. of the total school attendance will be found in parochial schools. Alongside of the public school system there has, therefore, grown up a group of rival systems entirely independent of the former. Foreign influences are also evident in the make-up of the public school curriculum: great emphasis is placed on the study of German. This subject is taught throughout the course, even in the lower grades, and the supposition is that all pupils will study this language. To render this part of the work as efficient as possible, the school board employs a superintendent (the third assistant superintendent) whose energies are all given to the supervision of the instruction in German. Recently, steps have also been taken to introduce the study of the Polish language in the schools located in the Polish wards.

The influence of these European elements has also extended to municipal politics. Before 1860 the city usually gave democratic majorities; but since the outbreak of the war the republican party has more frequently proved the stronger. But while this has been true in the November elections, it has not always been the rule in the spring campaigns. During the last two decades democratic administrations have not been uncommon in Milwaukee. With the election of 1898 began a comparatively long period of democratic management, eight years, with Mr.

David S. Rose in the executive chair. Almost for the first time in her history Milwaukee had the advantage of a government pursuing a somewhat definite and continuous policy for a number of successive years; as to the merits of this policy, it is yet too early to express an opinion.

But the most important and interesting phenomenon in recent Milwaukee politics is the swift rise of social democracy. Ten years ago (1898) the social democratic candidate for mayor polled in the neighborhood of 2,500 votes; four years later the vote of this party had more than trebled; at the next election more than 15,000 ballots were counted for the social democratic candidate; at present the strength of this organization approximates 20,000, or very nearly one-third of the entire electorate.⁷⁷ In addition there is a social labor party with a small but persistent following. No doubt a large number of votes are cast for socialist candidates by men who should rather be classed as political independents; still, it is evident that the newer economic theories do not inspire them with any great fear. The growth of socialism is, of course, most marked in the German wards; but it is also showing some strength in the Polish communities. Here, however, it encounters the determined opposition of the Roman Catholic priesthood and the propaganda is not so successful.

In 1906 twelve of the forty-six aldermen were elected by the social democratic party. It would seem that a minority so small would be powerless; but the published reports of the council sessions tell a different story; nearly all the proposals that attracted serious public attention during the biennium emanated from this minority. The socialist membership alone would come to the meetings with a definite policy agreed upon, with arguments prepared on pending questions, with complete and accurate information as to the progress of municipal business. It is not strange, therefore, that this group of twelve soon came to be looked upon as the greatest factor in the government of Milwaukee.

⁷⁷ The totals for the municipal election of 1908 as given in the press reports were as follows: democratic, 23,114; social democratic, 20,867; republican, 18,169.

The influence of socialism is greater than the party. The presence of this aggressive group of agitators has to a great extent determined the economic policies of the older parties. To the citizens of Milwaukee the measures that are usually proposed by socialistic bodies do not seem so very revolutionary. Municipal ownership has a multitude of adherents in the orthodox parties; the belief that something should be done for the continued education of the adult population has led to the establishment of a public museum and a series of evening schools and to the giving of a yearly course of free lectures; natatoriums are maintained by the city and free concerts are given in the public parks; water is furnished by the city, and ashes and garbage are disposed of at municipal expense; also in many other ways does the city show a deepening appreciation of municipal duty. And in producing this result the immigrant agitator has been one of the most important factors.

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(No attempt has been made to list all the newspapers of Milwaukee, only those that have been consulted in the preparation of this study; the years given represent the period covered in the accessible files; usually these will be found incomplete.)

STATISTICAL TABLES: NOTES

TABLE I. EXPENDITURES

In preparing this table I have attempted to reduce the number of items as much as possible. Bridge repairs, maintenance, and construction have therefore been added and the sum given as bridge expenses. The same has been done in other cases, such as schools, fire department, etc.

In one respect the table is defective: I have not been able to determine how much has been paid out in interest and in payment of debts from year to year. It is also likely that the "ward expenditures" are placed at too low a figure for the earlier years. It was impossible to decide whether or not the work paid for by special assessments had been included by the comptroller or not. The park expenditures are incomplete and a few funds are missing for certain years. At best the table is an approximation only; but the blame will have to rest with the comptrollers whose reports I have tried to follow. It is to be hoped that the authorities of Milwaukee will in the near future develop a consistent system of accounting; the plans followed at present are open to serious criticism; each individual comptroller seems to have had a separate system; and each department publishes its own statistical report, often without reference to statistics given in other documents; the fiscal year does not close on the same date in all the departments, and the result is a most confusing disagreement.

The ward expenditures are principally for improving the streets and keeping them clean. Certain other expenses, such as building election booths, are also charged to the ward funds. The contingent fund expenses and the "contingencies" have been added and appear as contingencies. Harbor and river improvements mean principally docking and dredging. The expenses for the public schools represent the disbursements of the school board with those of the council added.

1. Election expenses mainly.
2. Includes special funds, \$4,669.55.
3. Improvements on grounds, etc., \$51,705.39.
4. Property account (furniture, etc.), \$14,119.90; election expenses, \$833.
5. City hall \$3,163 87
 Insurance 16 00
 Furniture 158 84
 Readjustment expenses 2,041 53
6. Includes fund for opening streets and alleys 133 32
7. The ward expenditures (including a special fund of \$459.60 for opening streets and alleys) were \$72,419.02; but a large part was applied on debts from the year before.
8. Of this the leading item was a draft fund of \$1,762.10; this fund was an important matter in 1865.
9. Includes an instalment of \$29,000 paid on the Hasbrouck judgment; the remainder is made up to taxes refunded, insurance, etc.
10. Hasbrouck judgment \$55,432 40
 Railway stock subscribed for 12,000 00
 Insurance 3,000 00
11. Includes \$39,727.25 for opening streets and alleys.
12. Taxes remitted.
13. Special street and alley funds, \$46,278.48.
14. Tax refund and special park expenditures, \$1,455.42.
15. State normal school, \$12,781.65; tax refund, \$763.37.
16. Considerable amounts were spent in bridge construction.
17. Tax refund.
18. General city, \$44,819.51; general purposes, \$55,236.33.
19. Juneau Park.
20. Includes specials, \$4,659.11.
21. General city, \$316,575.87; general purposes, \$45,889.06.
22. \$221,755.10 for school buildings.
23. General city, \$580,060.19; general purposes, \$41,777.31.
24. This is the amount audited by the comptroller; the year's expense seems to have been \$140,276.79.
25. Milwaukee river dam.

26. A premium fund, used mainly for printing and advertising, has been added to the printing, books, and stationery account, 1893-1894.
27. Civil service board \$1,917 11
 Library construction 167,215 29
 Library 39,650 30
 Museum 15,824 37
 Special construction 18,192 56
28. Park and boulevard debt 99,526 56
 Park and boulevard maintenance 80,760 83
29. Ward funds 726,944 49
 Street sweeping fund 23,370 70
 Maintaining squares and lighting bridges 7,278 72
30. Library construction 30,379 43
 Postage, etc. 1,371 86
 Making tax roll 2,500 00
31. \$7,091.70 for lighting bridges and maintaining squares.
 32. \$250,053.55 for school construction in 1902.
 33. Includes a library and public bath construction fund of \$6,049.22.
34. Ward funds \$726,944 49
 City lighting fund 231,035 69
 Maintaining squares and lighting bridges 4,099 78
35. Of this sum garbage disposal required \$121,041.27.

TABLE II. REVENUES

Being unable to learn how much revenue was actually raised from year to year, I have taken the tax levies and added whatever other income seems to have existed. As each year will have its delinquent taxes, this method will not yield exact results; still, when we add the sums collected that belong to earlier tax levies, we shall probably find the totals approximately correct after all. In a few instances I have failed to find every item sought for; and rather than risk an estimate I have left the corresponding spaces blank. However, with respect to the contingent fund, I am inclined to believe that it did not become a regular levy before 1899.

The line headed "Other sources of revenue" is the only one that is particularly defective. For certain years no record of some of the items that make up the amounts under this heading has been found; but as the deficiencies belong to the earlier decades when the miscellaneous sources were of small importance, the amounts given cannot be more than a few thousands short for the years previous to 1899. In most cases the sums are complete. The deficiencies for 1899 and 1902 are somewhat larger; probably \$100,000 or \$150,000 should be added to the totals for each of these years. The table does not contain the amounts derived from bond issues; from the records used it is somewhat difficult to determine just how much each issue brought when sold.

Levies for special funds have been included in the general funds of the same character. Thus, special bridge funds or special school funds (if for buildings) have been added to the general city fund; funds for opening streets and alleys to the ward funds; etc. The general city fund contains all monies used in the payment of salaries and administrative expenditures generally. The expenditures of the various general departments—health, fire, police—are also charged to this fund, as well as the cost of bridges and (until recently) of school houses.

TABLE II.—MUNICIPAL REVENUES.

	1854	1857	1861	1863	1866	1869
General and special taxes:						
Interest and sinking funds.....	\$20,015 60 ¹	\$146,215 00	\$52,230 47	\$52,247 01	\$99,259 13	\$99,903 04
General city fund.....	26,900 00	48,738 00	59,843 54	60,955 78	154,108 78 ²	119,971 09
School fund (including county tax).....	5,550 08	12,997 00	44,601 29 ⁴	45,950 35	61,057 58	102,855 09 ⁵
Ward funds (general and special).....	58,190 08 ³	117,606 00	39,404 07	53,624 69	71,354 45	136,125 65
Sewerage taxes (general and special).....						5,563 28
Library and museum funds.....						
Contingent fund.....						
Special park tax.....						
For support of city service board.....						
Total revenues raised by taxation.....	\$110,655 71	\$325,558 00	\$196,139 37	\$236,777 78	\$355,779 94	\$434,418 15
Special assessments.....	54,941 53	253,763 00	13,026 83	50,311 96	26,714 22	44,272 57
License fees.....	4,252 20	4,690 00	13,375 00		18,655 66	20,061 00
Water rates and other income of water department (not including assessments on lots).....						
Other sources of revenue.....		6,453 00 ⁶	7,723 00 ⁷	8,669 62 ⁸	9,567 79 ⁹	23,818 64 ¹⁰
Grand total.....	\$169,849 74	\$590,453 00	\$230,269 20	\$285,759 38	\$410,717 61	\$522,570 36

	1872	1875	1878	1881	1884	1887
General and special taxes:						
Interest and sinking funds.....	\$106,870 39 ¹	\$277,135 17	\$63,934 70	\$53,034 15	\$200,696 76	\$214,180 21 ¹⁴
General city fund.....	233,025 47 ²	359,475 59	345,110 97	373,499 97	333,700 00	410,339 36
School fund (including county tax).....	129,219 74 ³	155,042 43	186,051 79	213,087 04	240,933 80	239,250 00
Ward funds (general and special).....	121,002 84	267,253 37	222,584 65	202,776 19	305,800 00	389,278 64 ¹⁵
Sewerage taxes (general and special).....	69,983 00	94,310 88	98,786 91	11,638 60	123,000 00	243,715 61
Library and museum funds.....			8,840 91 ¹³	11,299 98 ¹²	26,737 86	28,924 61
Contingent fund.....	4,991 74				5,000 00	5,000 00
Special park tax.....						
For support of city service board.....						
Total revenues raised by taxation.....	\$755,073 16	\$1,153,217 44	\$953,269 93	\$905,336 93	\$1,243,553 60	\$1,590,688 43

TABLE II.—MUNICIPAL REVENUES—Continued.

	1872	1875	1878	1881	1884	1887
Special assessments						
License fees	\$139,497 38 ¹⁰	\$161,089 58	\$235,149 72	\$55,613 24	\$214,710 46	\$308,866 41
Water rates and other income of water department (not including assessments on lots) .....	.....	51,286 00	54,121 00	60,597 50	102,938 32	253,512 25 ¹⁰
Other sources of revenue	11,490 78 ⁸	68,845 29	108,557 18	198,058 68	219,195 96	272,991 23
Grand total	\$908,061 34	\$1,361,633 29	\$1,370,800 55	\$1,240,728 88	\$1,838,766 64	\$2,557,280 25

	1880	1883	1886	1889	1902	1904
General and special taxes:						
Interest and sinking funds	\$264,827 77	\$385,740 00	\$455,450 08	\$553,837 41	\$721,849 58	\$741,733 75
General city fund	680,761 00	667,500 00	750,950 00	664,270 00	670,000 00	1,150,000 00
School fund (including county tax)	380,011 56	350,204 83	524,877 00	579,408 08	590,613 08	784,945 49
Ward funds (general and special)	433,918 67	599,814 18	568,500 00	467,500 00	531,000 00	594,500 00
Sewerage taxes (general and special)	237,668 84	246,004 04	153,500 00	65,410 14 ¹¹	85,000 00	86,000 00
Library and museum funds	35,174 37 ¹⁰	43,375 20	50,830 06	65,149 19	76,675 51	83,887 59
Contingent fund .....	.....	.....	.....	82,166 67	19,000 00	92,000 00
Special park tax .....	.....	.....	.....	168,623 78	82,612 44	3,009 27
For support of city service board .....	.....	67,942 23 ¹⁰	71,885 81	4,000 00	3,600 00	4,000 00
Total revenues raised by taxation	\$1,961,302 23	\$3,360,580 52	\$2,584,562 95	\$2,653,420 17	\$2,987,149 56	\$3,339,126 40
Special assessments	410,128 80	733,365 91	397,751 15	288,354 81	387,972 15	453,619 54
License fees	316,669 89 ¹⁰	468,163 15	366,143 71	360,000 00 ¹¹	360,000 00 ¹¹	452,351 64
Water rates and other income of water department (not including assessments on lots)	336,864 19	417,067 58	431,872 11	442,587 43	541,575 01	505,780 14
Other sources of revenue	162,515 66	212,197 38	167,479 98	116,282 77	240,950 97	460,123 68
Grand totals	\$3,197,900 77	\$4,182,364 54	\$3,919,747 93	\$3,843,645 18	\$4,477,647 69	\$5,211,001 40

1. Interest only ; no sinking fund tax.
2. This sum includes \$8,351 levied for harbor purposes and for a street opening fund.
3. State aid to schools.
4. Includes a school house fund.
5. Includes the following special levies:

Bridge fund	\$33,980 26
Dredging fund	9,999 29
Fund for the purchase of lot	10,136 36
6. \$12,495.17 for buildings.
7. The increase is due to the Hasbrouck judgment and the issue of the new water bonds.
8. Includes the following special funds:

Bridge fund	\$26,451 54
Railroad fund	9,983 47
Fire department fund	19,500 41
9. Includes \$11,989.50 for a school house in the Seventh Ward.
10. Increase largely due to water works assessments.
11. State aid to schools, penalties, etc.
12. Library only.
13. State aid to schools, penalties, interest on deposits, etc.
14. Note that, in spite of the heavy annual bond issues from this time on, the old debt tax did not grow as rapidly as one should expect; the water fund was now giving substantial help.
15. Includes \$1,278.64 in special taxes.
16. State legislation had increased the license fees to \$200.
17. This sum is derived from sewer permits, tax on insurance agencies, state aid to schools, interest on deposits, penalties assessed in the municipal court, etc.
18. About three-fourths of this was for the library.
19. Includes a small insurance tax; exact amount of this not determined.
20. This tax was first levied in 1891.
21. The amounts given for the few years preceding 1899 include the amounts levied for sewerage bond purposes with the regular sewerage tax. In the statistics for 1899, 1902, and 1904, these sums have been added to the interest and sinking fund levies where they seem logically to belong.
22. Estimate. [306]

TABLE III.—THE PUBLIC DEBT—MUNICIPAL AND GUARANTEED.

Year.	Municipal debt.	Per capita.	Railway debt.	Year.	Municipal debt.	Per capita.
1851.....	\$71,364 40	.....	\$234,000 00	1879.....	\$2,250,289 25	.....
1852.....	96,416 81	.....	.....	1880.....	2,250,000 00	\$19 48
1853.....	177,550 00	.....	269,000 00	1881.....	2,250,000 00	.....
1854.....	208,550 00	.....	823,000 00	1882.....	2,350,000 00	.....
1855.....	208,550 00	.....	823,000 00	1883.....	2,633,500 00	.....
1856.....	229,000 00	.....	1,384,000 00	1884.....	2,626,500 00	.....
1857.....	867,000 00	\$21 67	1,384,000 00	1885.....	2,584,000 00	16 15
1858.....	.....	.....	1,614,000 00	1886.....	2,816,500 00	.....
1859.....	.....	.....	1,614,000 00	1887.....	3,097,000 00	.....
1860.....	1,211,850 00	26 78	1,614,000 00	1888.....	2,948,500 00	.....
1861.....	1,110,471 73	.....	1,295,000 00	1889.....	3,066,500 00	.....
1862.....	1,069,033 37	.....	1,052,486 96	1890.....	3,665,000 00	17 91
1863.....	992,176 15	.....	789,002 43	1891.....	4,120,000 00	.....
1864.....	923,378 85	.....	754,500 00	1892.....	4,859,500 00	.....
1865.....	1,008,853 09	17 30	723,500 00	1893.....	5,281,000 00	.....
1866.....	995,979 59	.....	722,500 00	1894.....	5,166,750 00	.....
1867.....	922,222 25	.....	719,000 00	1895.....	6,078,750 00	24 92
1868.....	875,175 56	.....	719,000 00	1896.....	6,352,250 00	.....
1869.....	781,176 87	.....	719,000 00	1897.....	6,728,000 00	.....
1870.....	779,793 52	10 90	719,000 00	1898.....	6,288,750 00	25 88
1871.....	1,849,357 10	25 75	714,000 00	1899.....	6,410,750 00	.....
1872.....	1,931,258 75	.....	514,000 00	1900.....	5,862,000 00	20 55
1873.....	2,464,986 74	.....	514,000 00	1901.....	6,075,250 00	.....
1874.....	2,581,301 40	29 00	514,000 00	1902.....	7,001,750 00	.....
1875.....	2,496,314 71	26 84	.....	1903.....	7,017,250 60	.....
1876.....	2,441,474 99	.....	.....	1904.....	7,092,750 00	.....
1877.....	2,234,881 66	.....	314,000 00	1905.....	7,533,250 00	22 50
1878.....	2,276,289 25	.....	.....			

TABLE III. THE PUBLIC DEBT

Before 1851. No reliable figures are obtainable for these years.

1851-1856. The figures for this period are incomplete as the floating debt, an unknown quantity, most of the time is not included.

1857. The statistics include bonded and floating debt so far as the latter has been unearthed.

1858-1859. No statistics obtainable.

1860. The great increase in the visible debt of this year over that of 1857 was doubtless due to a discovery of old floating debt. Including the railway debt with the city debt we shall have an incumbrance for that year of \$62.80 *per capita*.

1865. The increase this year was due to the adverse decision of the courts in the Hasbrouck (harbor) case.

1871. The issue of water works bonds (\$900,000) began this year.

1872. This year saw an issue of more water works bonds and an unfavorable decision in the Beloit and Superior railway bond cases. This decision added \$424,000 to the debt.

1873-1874. More water bonds and a moderate issue of other bonds.

1876. This year the city issued \$100,000 in bonds to pay the railway debt.

1879-1881. Apparently no bonds were retired these years; none were issued.

1883. A series of bond issues begins this year, the amount increasing almost every year.

1885-1886. Bonds retired, \$327,000; issued, \$85,000.

1892-1895. This was an era of great improvements, to pay for which heavy bond issues had to be made. The issues were in 1892, \$1,030,000; in 1893, \$735,000; in 1894, \$242,000; in 1895, \$1,305,000; a total of \$3,312,000 in four years. The amount retired was \$1,355,750.

1896-1897. The amount issued this year was nearly double the amount retired.

1898. Only a small bond issue this year (\$80,000). The courts decided that the charter limit had been passed. The amount retired was \$528,000.

1902. Note the great increase in the debt this year. Since then the amounts added have been but slightly greater than the sums retired.

TABLE IV.—THE FINANCES OF THE SCHOOL BOARD.

	1846-47	1849-50	1857-58	1860-61	1863-64	1866-67	1869-70	1872-73	1875-76	1878-79
Revenues:										
City tax.....	\$2,708 05	\$5,519 08	{ 12,997 00	\$12,741 75	\$7,535 62	\$29,139 34	\$50,548 63	\$99,977 62	\$97,283 47	\$124,325 34
County tax.....	.....	.....	.....	28,610 98	26,860 10	31,918 24	38,811 29	47,252 62	57,758 96	61,736 45
State appropriations ^a.....	.....	.....	7,000 00 ^b	7,182 22	8,069 62	9,967 79	9,821 84	11,490 78	13,906 79	13,700 52
Tuition fees, etc.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total.....	\$2,708 05	\$5,519 08	\$19,997 00	\$48,534 95	\$43,065 34	\$70,025 87	\$100,181 56	\$128,721 02	\$108,949 22	\$199,702 31
Expenditures:										
Salaries of teachers and supervisors ^c	\$1,784 65	\$3,247 92	\$17,925 63	\$25,111 92	\$82,076 99 ^d	\$46,715 61	\$76,332 59	\$104,429 53	\$140,352 15	\$165,753 73
Other expenditures ^e	424 37	835 44	5,805 73	4,708 86	8,263 26	14,120 91	16,061 67	17,974 48	23,558 00	16,978 49
Total.....	\$2,207 02	\$4,083 36	\$23,731 36	\$29,820 78	\$40,340 25	\$60,836 52	\$92,394 26	\$122,404 01	\$164,210 15	\$182,732 22
Per capita cost per pupil.....	\$4 05	.....	.....	\$9 18	\$12 30	\$12 39	\$13 77	\$19 94	\$19 42	\$17 41

	1881-82	1884-85	1887-88	1890-91	1893-94	1896-97	1899-1900	1902-03	1904-05
Revenues:									
City tax.....	\$145,445 18	\$240,583 89	\$280,350 00	\$369,011 56	\$240,304 82	\$430,000 00	\$475,000 00	\$355,000 00	\$598,000 00
County tax ^a	67,641 86	18,900 00	18,900 00	.....	110,000 00	104,977 00	101,000 00	225,612 03	191,945 79
State appropriations ^a	15,236 48	19,821 60	82,754 60	96,533 97	119,866 31	112,081 74	113,762 01	238,146 52	216,834 57 ^b
Tuition fees, etc.....	2,874 30	801 17	.....	1,419 00	2,121 43	2,830 91	2,440 76	2,804 45	3,479 90
Total.....	\$231,197 82	\$261,637 28	\$382,004 60	\$466,984 53	\$472,212 56	\$649,879 65	\$692,282 77	\$821,563 00	\$1,006,290 26 ^c
Expenditures:									
Salaries of teachers and supervisors ^c	\$190,232 57	\$220,302 29	\$239,969 48	\$351,679 00 ^d	\$454,439 99	\$577,875 73	\$508,331 81	\$661,265 64	\$776,556 48
Other expenditures ^e	35,540 08	41,437 48	58,765 73	77,192 18	102,063 03	107,234 07	103,694 98	135,744 53	147,172 24
Total.....	\$225,772 65	\$261,739 77	\$348,735 21 ^e	\$428,871 18	\$556,503 02 ^f	\$685,109 80 ^g	\$701,826 79	\$797,010 17 ^h	\$923,728 72
Per capita cost per pupil.....	\$16 38	\$18 11	\$19 98	\$21 21	\$17 78	\$23 55	\$22 89	\$24 72	\$26 59 ⁱ

TABLE IV. THE FINANCES OF THE SCHOOL BOARD

1. This table has been compiled mainly from the Annual Reports. Expenditures for new buildings have not been included, as until 1905 those matters did not belong to the business of the board.
2. Levied by the county board.
3. At first only a limited amount per pupil; later also a tax in aid of schools (one mill).
4. The salaries of the secretary and the messenger are included here.
5. These expenditures are for janitor service, fuel, equipments, etc.
6. These statistics are based on an estimate and may be too high.
7. Janitors' fees are included here.
8. The county would occasionally fail to levy a school tax; but in 1893 the practice was definitely resumed as it was feared that otherwise the state contribution might be lost.
9. The evening schools cost \$7,344.20.
10. Teachers' salaries only; copy of report defective; the cost of supervision (included under the next head) was probably about \$10,000.
11. Balances from former years made up the deficit.
12. Fiscal year of eleven months.
13. Since 1888 the state has also contributed toward the education of the deaf—at first \$100 per pupil; later \$150.
14. In the preparation of this table balances from previous years have been ignored, the aim being to determine the revenues raised for each separate year.
15. The *per capita* cost is based on the average daily attendance.

TABLE V.—BONDS ISSUED AND RETIRED—1872-1904.

Year.	Bonds issued.	Bonds retired.	Year.	Bonds issued.	Bonds retired.
1872.....	\$900,000 00	\$43,098 35	1889.....	\$300,000 00	\$182,000 00
1873.....	623,000 00	20,070 00	1890.....	870,000 00	271,500 00
1874.....	235,715 00	?	1891.....	680,000 00	225,000 00
1875.....	1,000 00	36,966 67	1892.....	1,030,000 00	290,500 00
1876.....	100,000 00	101,000 00	1893.....	735,000 00	313,500 00
1877.....		107,593 33	1894.....	242,000 00	356,250 00
1878.....		56,592 41	1895.....	1,307,500 00	395,500 00
1879.....		26,000 00	1896.....	815,000 00	541,500 00
1880.....			1897.....	860,000 00	484,250 00
1881.....			1898.....	80,000 00	519,250 00
1882.....	100,000 00	?	1899.....	160,000 00	625,250 00
1883.....	375,000 00	135,000 00	1900.....	510,000 00	531,250 00
1884.....	150,000 00	157,000 00	1901.....	910,000 00	547,750 00
1885.....	150,000 00	192,000 00	1902.....	1,645,000 00	603,250 00
1886.....	400,000 00	167,500 00	1903.....	470,000 00	593,500 00
1887.....	450,000 00	169,500 00	1904.....	660,000 00	591,500 00
1888.....	85,000 00	233,500 00			

TABLE V. BONDS ISSUED AND RETIRED

1846-1861. There were several bond issues during this period, but as the financial transactions of those years were exceedingly irregular and the records poorly kept, I am unable to give the amounts.

1861-1871. Readjustment period; no bonds issued except in exchange for evidences of debt.

1872-1875. The years in which the water works were built. The sums under "bonds retired" represent scrip in part.

1877-1881. No issues apparently; some irregularity in retiring bonds.

1882. I have been unable to determine whether any bonds were issued this year or not.

1883-1904. The statistics for these years are complete and reliable. The issues represent a variety of improvements. See Chapter VI.

1890-1897. This was a period of great municipal undertakings and large additions to the debt. A reaction came in 1898; that same year it was discovered that the charter limit had been passed, at least technically.

1901-1904. Resumption of large expenditures; at present the policy seems to be to keep the debt as near the charter limit as possible.

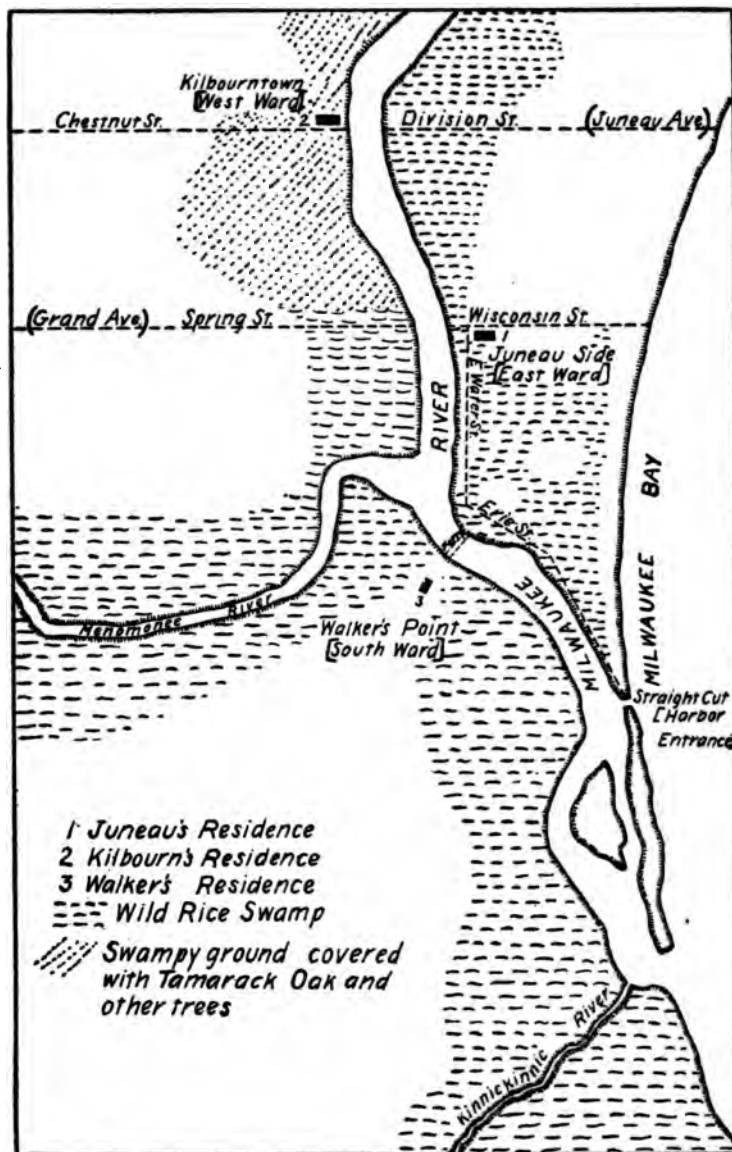


PLATE I.—MAP OF MILWAUKEE DURING THE VILLAGE PERIOD.

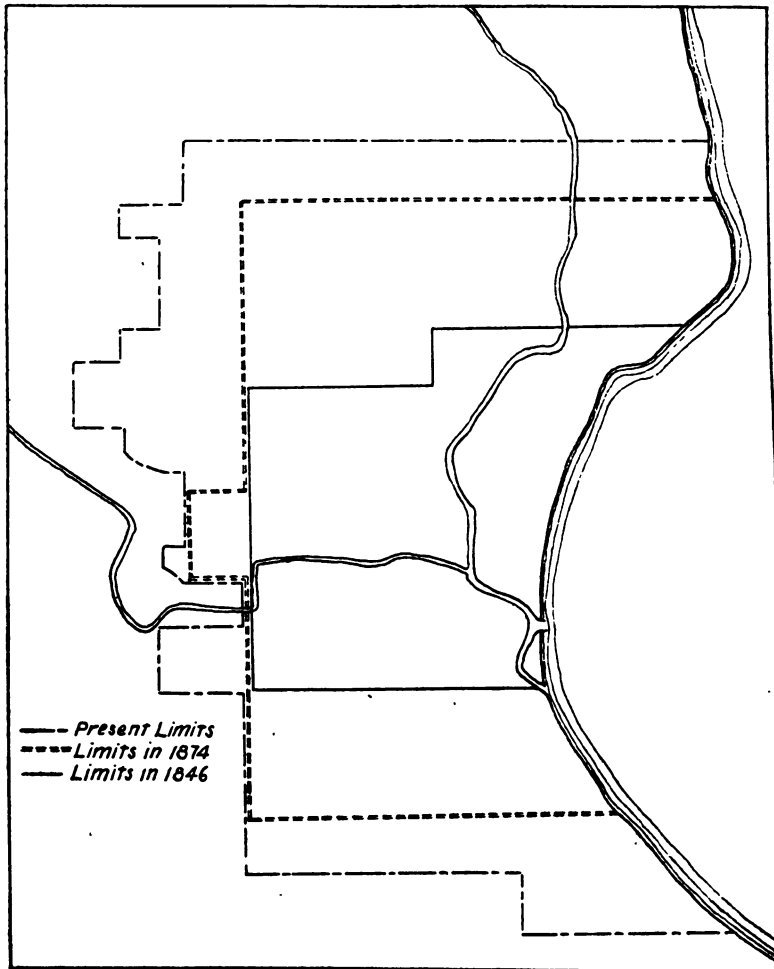


PLATE II.—MAP SHOWING TERRITORIAL GROWTH OF MILWAUKEE.

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